

Herald INTERNATIONAL Tribune

Published With The New York Times and The Washington Post

MONDAY SPORTS

NFL RESULTS
See Page 15

No. 32,895 48/88

PARIS, MONDAY, NOVEMBER 28, 1988

ESTABLISHED 1887

New Saudi Demand Threatens to Abort OPEC Output Pact

By Youssef M. Ibrahim
New York Times Service
VIENNA — A last-minute demand by Saudi Arabia that the Organization of Petroleum Exporting Countries adopt a floor price of \$15 a barrel for its oil sales threatened Sunday to unravel a delicate output agreement by OPEC and severely damage ties between Saudi Arabia and Iran.

Kiosk

Soviets Meet Afghan Rebels

ISLAMABAD, Pakistan (Reuters) — The Soviet Union held its first direct talks with Afghan rebels on Sunday in Pakistan. A Soviet Embassy spokesman said the two sides had discussed the release of Soviet soldiers taken prisoner by the anti-Communist guerrillas.

MONDAY Q&A

Peter Palmbo, chairman-designate of the Arts Council in Britain, discusses modern architecture and government's role. Page 2.

General News

Strands on the "social safety net" for poor Americans got thinner under Reagan. Page 3.

Business/Finance

Orders for U.S. machine tools dropped 19.5 percent in October. Page 11.



Armenians rallying Sunday at the Armenian cemetery in Moscow. A banner reads, "Stop the genocide of Armenians in Azerbaijan!"

Gorbachev Says Ethnic Strife Could Be 'Disastrous'

By Philip Taubman
New York Times Service
MOSCOW — Mikhail S. Gorbachev has warned that ethnic tensions could be "disastrous" for the Soviet Union, saying they threaten its efforts to reshape the country.

showed no signs of subsiding Sunday. Military forces in Armenia and Azerbaijan seemed barely able to maintain control, and Estonian leaders promised to press ahead with their constitutional challenge.

Response to the Gorbachev speech came swiftly from Estonia, where a grassroots political movement that initiated the challenge to Moscow said Sunday that it would not recognize the government ruling of Saturday.

Gorbachev's Test: To Loosen Up but Keep Control

By Michael Dobbs
Washington Post Service
MOSCOW — Renewed ethnic clashes in the southern Soviet republics of Azerbaijan and Armenia, combined with growing political unrest in the Baltic states, have served as a reminder to President Mikhail S. Gorbachev of the risks of mixing freedom and autonomy.

top Kremlin officials produced a moment that seemed to crystallize the political problems faced by the Soviet leader as he tries to find a measure of democracy and economic modernization to the Soviet Union.

The longer term is a different matter entirely. Mr. Gorbachev has been able so far to blame unrest on the mistakes of his predecessors, but many political analysts here believe that this explanation will begin to wear thin unless his drive for economic change, known as perestroika, produces tangible results in the near future.

Senator Sam Nunn said Sunday that he had long been frustrated by the number of new weapons approved by Congress, but he said it would be difficult to cut some of them to reduce the military budget.

Iran Suspends Prisoner Exchange

Agency France-Press
NICOSIA — Iran has suspended an agreement with Iraq to repatriate sick or wounded prisoners of war, the Iranian news agency IRNA said Sunday.

and were to involve more than 1,500 POWs. Both sides, however, have released fewer captives than called for under the program.

Prime Minister Yitzhak Shamir, right, and Foreign Minister Shimon Peres stood side by side Sunday but did not speak during a memorial service in Jerusalem for Golda Meir, the Israeli leader who died in 1978.

SDI technology may be used to destroy enemy satellites. Page 3.

Japan Soars, Along With Yen

By David E. Sanger
New York Times Service
TOKYO — Behind the record-setting rise of the yen in recent weeks lies a quiet, three-year revolution in the Japanese economy that illustrates anew the depth of Japan's post-World War II economic miracle.

cent, far above the government's forecast at the beginning of the year of 3.8 percent. The U.S. economy is expected to grow 3 percent to 4 percent this year.

coalition talks with Mr. Shamir's Likud bloc and called for a unity government between Likud and the Labor Party of Mr. Peres. The decision by Torah Flag, which won two seats in the Nov. 1 elections, will not necessarily prevent Likud from forming a coalition government without Labor.

Study by Bush Reported
Walter Pincus and David Hoffman of The Washington Post reported earlier:

As Biological Clock Ticks, Future Mothers Time Careers

By Sara Rimer
New York Times Service
NEW YORK — Amy Higer, 25, recently completed a master's degree in international affairs and hopes to teach. She grew up mindful of the example of her mother, who gave up a college scholarship to be a wife and mother.

admired by young women for her success in combining family and career.

findings. They're saying, "If you're 40, what is the exact probability of having a child with Down's syndrome? They want to precisely plan."

See CAREER, Page 5

PEOPLE
Firm Wants Nixon
Linda Gordon Liddy
Liddy's firm, the Nixon Library, is seeking a partner to help it manage the Nixon Library's operations. The firm is currently looking for a partner who is interested in the Nixon Library and has the necessary resources to manage the library's operations.

A Defense of Modern Architecture and Subsidies for the Arts

Peter Palumbo, chairman-designate of the Arts Council in Britain, is one of the main figures in the British debate over modern architecture. He commissioned a design by Ludwig Mies van der Rohe to be erected on a historic site in the City of London, which Prince Charles, leading an attack against the architectural avant-garde, called "a glass stump." A less controversial design by James Stirling is now being considered by the government. Mr. Palumbo spoke with Barry James of the International Herald Tribune.

Q. Why do you persist?
A. The site is very prominent and it demands a building of importance. I firmly believe architecture is an art form that must be experienced. We have very few wonderful modern buildings in London. So it's therefore important to make

MONDAY Q&A

a big effort to give people a yardstick by which to judge architecture at its highest level.

Q. Since the Prince of Wales never had any architectural training, is there any reason we should take his architecture criticism seriously?
A. I don't think what he says should necessarily be regarded as holy writ.

Q. How do you view architecture in Britain today?
A. We are a musical and literary society. Our visual awareness is not as great. This is a problem to which developers, architects and town planners must address themselves very seriously in order

to create the sort of environment that is an enhancement to the quality of life.

Q. William Rees-Mogg, whom you will replace as chairman of the Arts Council next year, says modernism is an alienated style that cannot be popular and therefore does not express popular needs. What are your views?
A. I have some sympathy with what he says. We have had two devastating world wars, which in itself has not been conducive to the flowering of great art. But if you look specifically at architecture, you will find that the shock of the new very often takes a long time to seep into people's sensibilities and perceptions. Ultimately it does so and is then embraced very passionately. Some of the great buildings in London for which we now have affection — such as the Houses of Parliament, the Law Courts, Mansion House, St. Paul's Cathedral — were subject to a great deal of vituperation when they were first built.

Q. Should governments subsidize art at all? Doesn't the experience of the socialist countries show us that the dead hand of the state produces only dead art?
A. In Britain, at least, the government subsidizes the arts through the Arts Council, to which it makes money available. It is not political. Therefore the dead hand of government is not directly on the arts. As to why the arts should be subsidized, the answer is that in a prosperous society, in which we are fortunate enough to live, you have the opportunity of being able to create art. It is the prosperous societies that create great art, not the poor ones. But government subsidy should be supplemented by the private sector, otherwise it leads to a great wave of complacency and inertia, and people just waiting for the annual state handout, which must be bad for the arts.

Q. Wouldn't it be better, then, to encourage opera by putting money into workshops and provincial companies, rather than spending it on lavish productions and superstars at Covent Garden?
A. You have to do both if you can afford it.

Q. What has happened to private patronage?
A. In the 18th and 19th centuries, patronage was exercised basically by the aristocracy, the landed gentry and then by the upper-middle classes. The industrial revolution eroded that patronage, and what took its place was a very heavy-handed bureaucracy. I believe that is why the visual arts have suffered, because you cannot design a great painting or a work of architecture by committee. I shall try to persuade business that it has now got the duty and the responsibility to assume the mantle of the great patrons of the past, in order to enhance the quality of life, to gain prestige and also to reap economic returns.

Q. But should taxpayers earning low incomes in effect subsidize a few hundred expensive opera seats at Covent Garden for a tiny elite?
A. It is not a tiny elite. There is an enormous opera-loving audience.

Europeans Criticize Denial of Arafat Visa

By Steve Lohr
New York Times Service
LONDON — West European governments on Sunday expressed criticism, some forcefully and some quietly, of Washington's decision to deny Yasser Arafat a visa to address the United Nations in New York.

Organization leader could only hamper progress toward peace in the Middle East and that Washington should have allowed Mr. Arafat to travel to New York, especially after the recent decisions of the Palestine National Council in Algiers.

There's a Mate For U.S. and Soviet Players

The Associated Press
SALONIKA, Greece — The captain of the American Olympic chess team secretly married a Soviet woman ranked second among the world's female chess players and left with her for the United States on Saturday.

Italy voiced the "deepest amazement" at the U.S. decision, and the Foreign Ministry's director-general for political affairs, Enzo Perlo, summoned the U.S. chargé d'affaires for an explanation. Italy expressed hope that the decision would be reversed.

For Mitterrand, a Mission in Moscow

By Felicity Barringer
New York Times Service
MOSCOW — President François Mitterrand watched from the spectator stand at the Baikour launching site as his countryman Jean-Loup Chrétien, riding atop a white pillar of flame, was lofted into space for a four-week flight in the second joint French-Soviet space mission.

Britain is reportedly reconsidering its policy of refusing to hold high-level meetings with the PLO. Last Monday, the European Community foreign ministers issued a statement welcoming the decision of the Palestine National Council.



Mr. Mitterrand examining a new space suit designed for extra-vehicular activity during his visit to the Baikour cosmodrome. He is accompanied by Eduard A. Shevardnadze, the Soviet foreign minister.

French Seek High Profile in Flurry of Soviet Diplomacy

come just to acknowledge cooperation in space but to keep France's profile high at a time when the Soviet Union is increasing its contacts and exchanges with many European capitals.

In that respect, Mr. Mitterrand seemed to have achieved his aim. The two leaders agreed to hold annual French-Soviet summit meetings and two-yearly meetings of their foreign ministers, according to the Soviet press agency Tass.

The most obvious French gesture of goodwill and cooperation was made on the first day of the visit, with an agreement that is expected to give Moscow a line of credit with French banks for the equivalent of \$2 billion.

Syrians Under Fire in Beirut

Beirut — Syrian troops enforcing a truce between rival Shiite Moslem militias clashed Sunday with gunmen on the edge of Beirut's southern suburbs.

The Syrians arrested gunmen who were identified as members of Hezbollah, a security source said. Two Hezbollah men were injured in the shooting.

Ethiopia to Move 2.7 Million More Into Collectives

NAIROBI — Ethiopia has approved plans to move 600,000 Eritrean families — about 2.7 million people — into collective villages next year, the state radio announced.

The program will bring the total number of people living in collective villages to nearly 15 million, the radio, monitored in Nairobi, said Saturday night.

It said a government committee, headed by Prime Minister Fikre Selassie Wogderes, had approved the latest move.

MDM GENEVE
LA MONTRE DES MONTRES
LA MONTRE DES MONTRES

HUBLOT
Mechanical and quartz chronograph, water-resistant to a depth of 150 feet. In gold, in steel, or in gold and steel.

BARCELONA: Salar Cabot • BRUXELLES: Verhaegen • DUISBURG: Wempe • FRENZHE: Caldas, Capini • FRANKFURT: Wempe • GENEVE: Chomette, Benoit de Guzman, Clavens, E. Zbinden • HAMBURG: Wempe • HONG KONG: Dickson, Sany • LONDON: Garard, Hilton Jewellers, David Norris, The Watch Gallery, Watches of Switzerland • MADRID: Montoya • MILANO: Fiam, Gobbi, Vero • MÜNCHEN: Wempe • NEW YORK: Fred Wempe • PARIS: Fred Wempe • ROMA: Bedetti, Marini • SINGAPORE: The House of Gold • TOKYO: Jewel Gallery • VENEZIA: Salvadori • WIEN: Schullin • ZÜRICH: Barth, Gull, Nestlé.

The flavour of an island in a single malt.

Isle of Jura
SINGLE MALT SCOTCH WHISKY

UNIVERSITY DEGREE
BACHELOR'S • MASTER'S • DOCTORATE
For Work, Academic, Life Experience.
Send delisted resume for free evaluation.

PACIFIC WESTERN UNIVERSITY
600 N. Sepulveda Blvd.,
Los Angeles, California,
90047, Dept. 23, U.S.A.

Onassis Girl Is Willed Bulk Of the Fortune

The Associated Press
ATHENS — Athena Onassis, 3 years old, has become the official heir to the Christina Onassis fortune, and a committee has been named to execute the will, a source close to the family said Sunday.

The will, dated Oct. 12, was opened Friday before an Athens magistrate, the source said. Athena, the daughter of Christina Onassis and Thierry Roussel, who were divorced last year, is to receive the bulk of the estate, which is estimated to exceed \$500 million.

Friends and relatives will receive smaller amounts. Miss Onassis, 37, died Nov. 19 in Buenos Aires, apparently of a heart attack. Her body was flown to Greece, where she was buried Saturday near her father on the family-owned island of Skorpios.

WORLD BRIEFS

Algeria May Vote on Multiparty Rule

ALGIERS (AP) — As he opened the sixth congress of Algeria's ruling party, President Chadli Bendjedid on Sunday suggested the possibility of a nationwide referendum on whether to allow opposition political parties. "Concerning a multiparty system, the question will be put to the people if conviction of its need is widely shared," state radio quoted the president as saying in his speech before the ruling National Liberation Front. He did not elaborate.

Genscher Starts 2-Day Visit to Iran

BONN (Reuters) — Foreign Minister Hans-Dietrich Genscher of West Germany went to Iran on Sunday for two days of talks expected to cover trade matters and efforts to free Western hostages held in Lebanon. Mr. Genscher is the highest-ranking Western official to go to Tehran since the Gulf War cease-fire in August. West Germany has been the only major Western power to maintain good relations with Tehran in recent years.

Pretoria Lets 2 Black Foes Leave Prison

By John D. Battersby
New York Times Service
JOHANNESBURG — The South African government has freed two longtime black nationalists, both in ill health, on humanitarian grounds.

Roh Plea Fails to Calm Opposition

SEOUL (NYT) — Despite an appeal by President Roh Tae Woo, neither the political opposition nor the middle class seem ready to end investigations into the wrongdoings of the former president, Chun Doo Hwan.

New Warrant Issued for IRA Suspect

LONDON (Reuters) — Britain has issued a new warrant for the extradition of a suspected Irish Republican Army guerrilla hours after he was freed from a Belgian jail and flown to Dublin, the police said.

Youth Shot During Protest in Sydney

SYDNEY (AP) — Hundreds of ethnic Croatians demanding a homeland demonstrated Sunday outside the Yugoslav Consulate here, and the police said an unidentified gunman shot and wounded a youth who was among a group that climbed the wall of the compound.

Colombian Troops Kill 19 Rebels

BOGOTA (AP) — A Colombian soldier and 19 leftist guerrillas died in a weekend battle after the army discovered a rebel base in a remote eastern area, a military commander said.

For the Record

The acting Pakistani president, Ghulam Ishaq Khan, will name a prime minister on Thursday, state-run television said Sunday. (Reuters)
Indonesia has decided that foreign missionaries will no longer be allowed to conduct religious work in the country. A government spokesman gave no reason for the move. (AP)

TRAVEL UPDATE

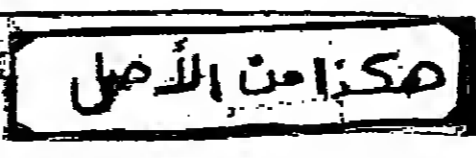
Nigeria Airways has grounded all its cabin crews based abroad after two air hostesses were arrested last week for smuggling cocaine into Britain, newspapers in the capital, Lagos, reported. (Reuters)
The place on Mount Ararat where Noah's Ark may have beached will be opened to tourists next year, Turkish officials said. (Reuters)
Traffic in Paris is to be halted on the RER regional rail network Monday because of strikes by maintenance workers. Management said it would arrange bus service. (AFP)

This Week's Holidays

Banking and government offices will be closed or services curtailed in the following countries and their dependencies this week because of national and religious holidays:
MONDAY: Albania, Chad, Panama.
TUESDAY: Albania, Liberia, Yugoslavia.
WEDNESDAY: Barbados, Benin, Philippines, South Yemen, Yugoslavia.
THURSDAY: Central African Republic, Macao, Mexico, Portugal.
FRIDAY: United Arab Emirates.
SATURDAY: United Arab Emirates.
SUNDAY: Israel.

Thailand Fears Death Toll Will Reach 1,000 in Floods

By Steven Erlanger
New York Times Service
BANGKOK — As rescue work continued and floodwaters receded in southern Thailand, government officials said over the weekend that the number of dead would probably reach 1,000.



SDI Technology May Be Used To Destroy Enemy Satellites

By William J. Broad
New York Times Service

NEW YORK — The exotic weapons being developed by the Pentagon to shoot down enemy missiles are being promoted for a new role that is less taxing but more controversial: the destruction of enemy satellites in space.

The possibility of an anti-satellite mission for Strategic Defense Initiative weapons has long been played down by U.S. officials, who generally emphasize that they are building a defensive system to protect the nation from incoming enemy missiles, not an offensive system capable of destroying Soviet targets as well.

Such a weapon is seen as inherently more aggressive than trying to protect territory from enemy missiles and nuclear warheads. Critics charge that anti-satellite weapons can raise the risk of war by threatening the existence of vital communications and early warning satellites, although the main mission for an anti-satellite weapon is said to be the destruction of low-orbiting Soviet satellites that use radar to track the movements of U.S. and allied ships.

But now, nearly six years after the start of President Ronald Reagan's Strategic Defense Initiative, a variety of factors is making the anti-satellite prospect more likely. Technical progress will soon make the goal feasible, and Defense Department officials are under mounting pressure to demonstrate payoffs from the more than \$16 billion spent on SDI research to date.

At this point, there is no clear indication what position the Bush administration will adopt toward anti-satellite weapons, although the vice president-elect, Senator Dan Quayle, has advocated building one and the Republican platform calls for one to be deployed "rapidly."

Being developed by the army, the low-cost, light-weight, ground-based rocket is meant to destroy enemy warheads in the middle of their flight. This year, the army is spending \$161 million on the project. A test version of ERIS is to undergo its first flight in 1990 from Kwajalein Atoll in the Pacific.

AMERICAN TOPICS

Pay-by-Bag Disposal Cuts Volume of Trash

Tossing out the household trash requires care and ingenuity these days in High Bridge, New Jersey. The New York Times reports. In January, the town, with a population of 4,000, stopped charging households \$280 a year for garbage collection and began charging for the amount of trash they actually discard.

Short Takes

The 1986 law requiring employers to require proof of citizenship or work permits may have backfired by encouraging racial discrimination against foreign-looking job applicants.



THAT HUNTED LOOK — A much-skewered "deer" leads a march in Seattle against a navy decision to let wheelchair-bound people use bows and arrows to hunt deer at a naval fuel depot.

Virginia has joined the much-debated trend toward requiring teachers to take fewer education courses and more courses in the arts and sciences. The Washington Post reports. The elementary education degree, a staple of the teaching profession, will disappear. Education courses, which once constituted as much as half the four-year curriculum for prospective teachers, will be cut back to about one-sixth.

More bridesmaids are wearing black. "This isn't a revolt of bridesmaids fed to the teeth with wearing pastels and later trying to convert fluffy orchid or pale yellow tulle into passable dinner dresses," writes Enid Nemy in The New York Times. Usually, it is the bride's idea, "because she's basically a nonconformist" or "because she and her attendants are young but no longer dew-eyed teen-agers" and "would feel most comfortable wearing something that might become a useful part of their wardrobes."

After Shirley Temple Black was named grand marshal of the 1989 Rose Bowl Parade in Pasadena, California — just as she was 30 years ago when she was 10 years old and Hollywood's leading box office attraction — she posed for photographers with an armful of roses. "Suddenly," recalled Bonnie Hann, a parade publicist, "her voice started to go hoarse and she said, 'You know, I can't hold these roses anymore.' We asked why not and she said, 'Because I'm allergic to them.'"

Notes About People

Count Wilhelm Wachmeister

Arthur Higbee

Peru Rebels Carry Their Cause to Prison

By Eugene Robinson
Washington Post Service

LIMA — The Peruvian prison known as Canto Grande offers the same images of squalor and despair seen in so many other Latin American penal institutions. An inmate with apparent mental problems wanders aimlessly, hauling a filthy foam-rubber mattress, limping from a festering sore on his leg. Food consists of a thin, gray gruel that guards bring around at odd hours.

There is also a cell dedicated to medical supplies. One of Shining Path's main complaints about the prison is its near-lack of medical care. One inmate said that dental care was nonexistent. He said there were nearly 400 untreated cavities among the 137 men in the pavilion. They are petitioning for tooth-pulling tools. Other inmates have complained about Shining Path's habit of rising before daybreak for calisthenics. The guerrillas try to keep their guards off balance. Sometimes they greet them with presents and kind words of solidarity, other times with fierce, bitter resistance.

The women's pavilion, housing 69 inmates, is even cleaner and better-organized. On the wall beside each cell there is a foil cup with a paper rose inside. There are also fresh flowers and a few potted plants. On visiting days, the women play basketball in their exercise yard, where the walls, like those in the men's pavilion, are covered with slogans and murals. They prepare a big, common meal. One recent Sunday it consisted of pasta shells with a curry-like sauce.

"When I first came in Peru I thought that there was nothing here, that it was dirty, that nothing ever worked," she said. "That's all true. But at the same time, we're creating a new man in the most advanced revolution in the world. Everyone will see when we take power." "We're already building a new state in the countryside. The big center of reaction is Lima. But Lima is about ready. It's beginning to move."

U.S. Drug Officials Say Speed Is Out of Control

By Jane Gross
New York Times Service

SAN FRANCISCO — Made in a growing number of clandestine laboratories, the drug speed is surging across the West and could soon rival crack elsewhere in the United States, law-enforcement officials and experts on drug treatment say. "It's an astronomical problem," said Rood D'Ulisse, an agent of the federal Drug Enforcement Administration in San Diego and an authority on speed. "It can't be overstated. There's unanimous agreement out here that 'Hey, this drug is out of control.'"

Speed, or methamphetamine, is a powerful stimulant to the nervous system that has been used for a generation, starting with diet pills diverted for illegal use. Its popularity has jumped in recent years with the increase in makeshift laboratories turning out an off-white powder that can be snorted, injected or taken in a beverage. This fall the Drug Enforcement Administration's Western Laboratory in San Francisco identified a smokable form of the drug that looks like quack crystals. When crack, the smokable form of cocaine, appeared on the East Coast in 1985, it meant that a cocaine epidemic was at hand.

Methamphetamine is cheaper than cocaine and produces a longer-lasting euphoria. Its abuse is most prevalent in California, Texas, Oregon and Arizona, but a recent study for the National Institute on Drug Abuse warns: "Domestically produced methamphetamine looms as a potential national drug crisis for the 1990s."

Drug law-enforcement agents say speed is simple to make and lucrative to market: \$175 worth of chemicals yield a pound (454 grams) of pure methamphetamine, which then is weighed to make two pounds and sold for \$32,000. Both the federal study and interviews with more than a dozen experts show that speed is gaining ground, as in these examples: In the last two years, U.S. statistics show, the number of emergency room cases involving methamphetamine complications has doubled and deaths from the drug are up 80 percent. Raids on clandestine laboratories have

Safety Net for Poor: Reagan Left Thinner Strands

By Spencer Rich
Washington Post Service

WASHINGTON — When President Ronald Reagan took office in 1981, he announced his intention to cut social welfare programs that provided benefits "where real need cannot be demonstrated." At the same time, he pledged that "those who through no fault of their own must depend on the rest of us, the poverty-stricken, the disabled, the elderly, all those with true need can rest assured that the social safety net of programs they depend on are exempt from any cuts."

Since then, Mr. Reagan has proposed and Congress has enacted, often after modifications, a series of changes reducing eligibility, benefit levels or funding for many of the federal "safety net" programs that assist at least 50 million elderly, ill and low-income Americans each year. One effect of those changes was to lower the cost of these programs by 6 percent to 10 percent. Experts and politicians still argue about the impact of those changes on the people who benefit from them. The safety net is still there, but in some ways it works differently. The strands are thinner.

Definitions of the "safety net" vary. Broadly, it includes the "human resource" programs that, in 1980, the year before Mr. Reagan became president, cost the federal government the equivalent of \$439 billion in 1987 dollars, according to the Congressional Research Service. It includes programs like Social Security and Medicare, which are available to people regardless of their wealth or income. And it includes programs that are available only to people whose incomes fall below poverty levels, including Aid to Families with Dependent Children (welfare), aid to the low-income aged, blind and disabled (Supplemental Security Income), food stamps and Medicaid, education and training and service programs for low-income people. On the surface, it looks as broad as in 1980. Human resource outlays

in 1987 were \$502 billion, and the administration calculates that a selected group of "core" programs aimed at the poor rose from \$62 billion to \$76 billion measured in constant 1982 dollars. But these figures do not tell the whole story. Although total federal spending for all "human resource" programs has gone up \$63 billion since 1980, Social Security and Medicare alone went up \$74 billion because of an increasing aged population, higher earnings records of new retirees, entitling them to larger benefits than their predecessors, and medical inflation far beyond general price increases. This means that the combined total spent for all other safety net programs was lower in real dollars than in 1980, although some fell and others rose. Education and training took the biggest cuts. Calculations by the Congressional Budget Office show that today more Americans need government help to escape poverty than in 1980 and that the amount they need is greater per person. The reason, said Joseph Minarik, an economist with the Urban Institute, is that the poorest fifth of the population is not sharing proportionately in the country's overall well-being. This explains why outlays for social programs can be larger without necessarily meeting people's needs as well as the same programs did before Mr. Reagan. One way to measure the Reagan-era changes is this: Spending for major safety net programs was

- Set up your manufacturing unit in Pakistan's Export Processing Zone and reap greater profits.
- You can also set up International Distribution Centres for undertaking warehousing & trading activities.
- Easy access to important world markets.
- Located on international air and sea routes.
- The Pakistan EPZ offers an efficient one-window service to help you set up your industry quickly.
- Simplified procedures.
- Physical infrastructure ready to start units. You have immediate connection with all the necessary utilities such as power, gas, water, telephone & telex.
- A cheap and hard-working labour force greatly brings down your production cost.
- There are production-oriented labour laws in the Zone ensuring that there are no labour problems.
- You can fully own a project or have a joint venture with a non-resident Pakistani in any proportion. You can also have a joint venture with a resident Pakistani. The equity of a resident Pakistani will not exceed 40% of the total capital cost.
- Foreigners and non-resident Pakistanis can repatriate their investment, Dividend and Profit up to 100 percent.
- There is complete exemption from the corporate tax upto the year 2000 AD.
- There are no restrictions on the employment of foreign expatriates whose salaries will not be taxable for five years.
- You can also export to Pakistan, subject to the Import Policy of the country.

Sow at Pakistan's EPZ.... Reap the fruits of your venture worldwide.

For details, please contact:
Investment Division
Export Processing Zones Authority
Landhi Industrial Area Extension, Mehran Highway, P.O. Box 2022, Karachi-54 (PAKISTAN)
Telephone: 211177-738014 and 219384 Telex: 25692 EPZA PK, 25762 KEPZ PK.

Leather craftsmen for the best designer labels.

Merender presents his own collection for his/her superb custom-made Leather Fur Rainwear

2, Fawcett Street (2nd floor)
75008 Paris - Tel. (1) 42.65.12.36

U.S. Drug Officials Say Speed Is Out of Control

By Jane Gross
New York Times Service

SAN FRANCISCO — Made in a growing number of clandestine laboratories, the drug speed is surging across the West and could soon rival crack elsewhere in the United States, law-enforcement officials and experts on drug treatment say. "It's an astronomical problem," said Rood D'Ulisse, an agent of the federal Drug Enforcement Administration in San Diego and an authority on speed. "It can't be overstated. There's unanimous agreement out here that 'Hey, this drug is out of control.'"

Speed, or methamphetamine, is a powerful stimulant to the nervous system that has been used for a generation, starting with diet pills diverted for illegal use. Its popularity has jumped in recent years with the increase in makeshift laboratories turning out an off-white powder that can be snorted, injected or taken in a beverage. This fall the Drug Enforcement Administration's Western Laboratory in San Francisco identified a smokable form of the drug that looks like quack crystals. When crack, the smokable form of cocaine, appeared on the East Coast in 1985, it meant that a cocaine epidemic was at hand.

Methamphetamine is cheaper than cocaine and produces a longer-lasting euphoria. Its abuse is most prevalent in California, Texas, Oregon and Arizona, but a recent study for the National Institute on Drug Abuse warns: "Domestically produced methamphetamine looms as a potential national drug crisis for the 1990s."

Drug law-enforcement agents say speed is simple to make and lucrative to market: \$175 worth of chemicals yield a pound (454 grams) of pure methamphetamine, which then is weighed to make two pounds and sold for \$32,000. Both the federal study and interviews with more than a dozen experts show that speed is gaining ground, as in these examples: In the last two years, U.S. statistics show, the number of emergency room cases involving methamphetamine complications has doubled and deaths from the drug are up 80 percent. Raids on clandestine laboratories have

more than tripled since 1983, with 775 of them shut down last year. Of those, 489 were in California. State and federal officials say that at least five labs are operating for each one that is closed, and only manpower shortages have kept the number of raids and confiscations from rising.

Huge quantities of speed are being made. In San Diego, where the problem is considered most severe, 1987 production reached 20,000 pounds, enough, said Mr. D'Ulisse of the Drug Enforcement Administration, "in every man, woman and child here under the influence for six months."

At least four companies that make chemicals in California have recently been seized, in joint state-federal undercover investigations, for knowingly selling chemicals that can be synthesized into speed. One company was owned by a man who had been convicted of manufacturing the illegal drug.

Drug rehabilitation centers in San Diego, San Francisco and other Western cities are jammed with speed addicts. Police blotters list growing numbers of methamphetamine-related homicides. Mental health experts report an increase in drug-induced psychoses. Doctors, counselors and law-enforcement officers tell of a sharp increase in a pattern of agitated, violent behavior in addicts that resembles paranoid schizophrenia.

Peru Rebels Carry Their Cause to Prison

By Eugene Robinson
Washington Post Service

LIMA — The Peruvian prison known as Canto Grande offers the same images of squalor and despair seen in so many other Latin American penal institutions.

An inmate with apparent mental problems wanders aimlessly, hauling a filthy foam-rubber mattress, limping from a festering sore on his leg. Food consists of a thin, gray gruel that guards bring around at odd hours.

But in Canto Grande there are two islands of discipline, organization and fastidious cleanliness: the men's and women's pavilions that house members of Sendero Luminoso, or Shining Path, the guerrilla insurgency.

Shining Path is one of the most peculiar revolutionary groups in the world, highly secretive and dedicated to a Maoist philosophy. It controls large areas of the countryside, has forced the authorities to turn other parts into armed camps and, by all estimates, is getting stronger every day.

The government uses Canto Grande, designed as a maximum security prison, as one of its major sites for keeping Shining Path prisoners. The guerrillas, in turn, have turned their parts of the prison into a showplace for their dedication to

what they call the world's "most advanced revolution," a demonstration of the kind of society they say they want to create in Peru.

Visitors to the men's pavilion are greeted by an honor guard holding red hammer-and-sickle flags like swords at a military wedding. The filth and smell of the central courtyard disappear. Everyone is neatly dressed in clean clothes, is well-shaven and polite.

Two spokesmen appear and sit down to discuss the revolution and the "parallel state" being built in the hills. One waves his hand, and minutes later little biscuit sandwiches and steaming coffee appear.

It is an official visiting day, and the men have moved some of their beds outside into the pavilion's exercise yard so that friends and relatives have a comfortable place to sit. To provide shade, they have strung a canopy of decorated fabric strips across part of the yard. Painted revolutionary slogans and murals cover the walls.

The men prepare their own food on a homemade electric stove made from four hot plates. To make it work they had to divert power from other parts of the building and wire it together using transformers and fuses. Upstairs at the end of a corridor they have established a library, complete with a catalog system.

There is also a cell dedicated to medical supplies. One of Shining Path's main complaints about the prison is its near-lack of medical care. One inmate said that dental care was nonexistent. He said there were nearly 400 untreated cavities among the 137 men in the pavilion. They are petitioning for tooth-pulling tools.

Other inmates have complained about Shining Path's habit of rising before daybreak for calisthenics. The guerrillas try to keep their guards off balance. Sometimes they greet them with presents and kind words of solidarity, other times with fierce, bitter resistance.

The women's pavilion, housing 69 inmates, is even cleaner and better-organized. On the wall beside each cell there is a foil cup with a paper rose inside. There are also fresh flowers and a few potted plants.

On visiting days, the women play basketball in their exercise yard, where the walls, like those in the men's pavilion, are covered with slogans and murals. They prepare a big, common meal. One recent Sunday it consisted of pasta shells with a curry-like sauce.

One of the female prisoners is Renate Hehr, a German who has been in Canto Grande for two years. Like the others, she is imprisoned for terrorist activity.

INTERNATIONAL Herald Tribune

Published With The New York Times and The Washington Post

A Budget Built on Hope

Working backward, the Reagan administration is once again adjusting its economic forecasts to its budget numbers rather than the other way around.

and most important thing to do is to increase investment in industrial expansion and greater labor productivity.

Air Fares Need Not Soar

U.S. airports were jammed with a record two million travelers this weekend and, on many flights, the atmosphere made commuters' buses look good.

pricing behavior shouldn't be taken for granted. Airlines are working hard to tame competition, and Washington has been less than vigilant in containing their tactics.

Other Comment

Encouragement for Bhutto
Benazir Bhutto is not only the symbol and the catalyst of a democratizing Pakistan, she is also a phenomenon in the Islamic world.

The Price of Conservation
It is only when poor people are assured of their livelihoods that they will help us to safeguard their natural environments.

Between Rockies and Urals

Since the days of General de Gaulle, French presidents have built up a special relationship with the Soviet Union, partly or mainly to emphasize France's independence of the United States.

There are ways to ease the Third World's debt
This would be an effective way to lower the annual payments burden.

There Are Ways to Ease the Third World's Debt

GENEVA — The change in U.S. presidents will provide an opportunity to explore more effective ways of coping with Third World debt.

100, 75 AND 50 YEARS AGO

1888: German Navy Plan
LONDON — The new German naval programme is a very ambitious and important one.

1938: Stuporous Politics
SHANGHAI — Dr. M. Searle Bates, American missionary and vice-president of the University of Nanking,

1913: Zelaya Is Arrested
NEW YORK — Senator José Santos Zelaya, formerly President of Nicaragua,

INTERNATIONAL HERALD TRIBUNE
JOHN HAY WHITNEY, Chairman 1988-1992
KATHARINE GRAHAM, WILLIAM S. PALEY, ARTHUR OCHS SULZBERGER
LEE W. HUEBNER, Publisher

OPINION



Now Both Superpowers Are Cutting Their Losses

WASHINGTON — The Nicaragua debate is over; now the United States has only to determine if it is content with the results.

By Stephen S. Rosenfeld
unwinnable Central American enterprise. Rather, he is going to do what all the Latins have been begging for, and what all the American critics and establishment types have been advising: namely, deal with the big Latin countries and with the economic questions that are at the center of their relations with the United States.

conservative hope, as uttered by Mr. Bush last week, is to mobilize regional pressures for democratization in Nicaragua.

For the Starving Sudanese, Tears Aren't Enough

CAIRO — Members of Margaret Thatcher's government, for which only real men need apply, are not known to cry in public.

By Jonathan Power
In April 1985, and elections the following spring, Sadek Mahdi became prime minister. He is the Oxford educated great grandson of Mohammed Ahmed Mahdi, the fanatical Moslem leader of the 1880s who defeated General Charles Gordon in the historic encounter at Khartoum that changed the political map of the Sudan and Egypt.

The mass starvation in Sudan is one of the great human tragedies of the 20th century. "The damned," wrote Eugene O'Neill, "don't cry." But we must weep for them — and struggle, too.

There Are Ways to Ease the Third World's Debt

GENEVA — The change in U.S. presidents will provide an opportunity to explore more effective ways of coping with Third World debt.

By Melvin Fagen
This would be an effective way to lower the annual payments burden.

There is no sign yet that Mr. Botha is ready for such dialogue. If and when he is, he will have to find resources to meet black needs: desperate needs for education, housing and the like.

In Pretoria, Dialogue or Repression?

By Anthony Lewis
NEW YORK — In what direction is President Pieter W. Botha taking his government? From South Africa last week came dramatically contradictory signals.

The treason convictions were extraordinary in their departure from Western legal standards. The defendants had committed no violence, nor aided any foreign enemy.

South Africa reacted angrily. The justice minister, J.L. Coetsee, said: "I denounce and deplore America's uncalculated interference."

There is no sign yet that Mr. Botha is ready for such dialogue. If and when he is, he will have to find resources to meet black needs: desperate needs for education, housing and the like.

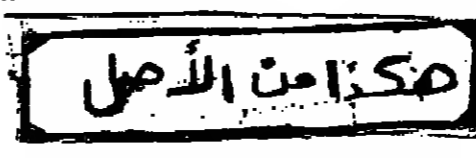
100, 75 AND 50 YEARS AGO

1888: German Navy Plan
LONDON — The new German naval programme is a very ambitious and important one.

1938: Stuporous Politics
SHANGHAI — Dr. M. Searle Bates, American missionary and vice-president of the University of Nanking,

1913: Zelaya Is Arrested
NEW YORK — Senator José Santos Zelaya, formerly President of Nicaragua,

NEW YORK — In what direction is President Pieter W. Botha taking his government? From South Africa last week came dramatically contradictory signals.



Weekly International Bond Prices

Provided by Credit Suisse First Boston Securities, London, Tel.: 01 323 11 30
Prices may vary according to market conditions and other factors.

Dollar Straights

Issuer	Con	Mat	Price	Yld	Spd	Tray
Amstrada						
Amstrada	12 1/2	95 1/2	127 1/2	13 1/2		
Amstrada	11 1/2	95 1/2	127 1/2	13 1/2		
Amstrada	10 1/2	95 1/2	127 1/2	13 1/2		
Amstrada	9 1/2	95 1/2	127 1/2	13 1/2		
Amstrada	8 1/2	95 1/2	127 1/2	13 1/2		
Amstrada	7 1/2	95 1/2	127 1/2	13 1/2		
Amstrada	6 1/2	95 1/2	127 1/2	13 1/2		
Amstrada	5 1/2	95 1/2	127 1/2	13 1/2		
Amstrada	4 1/2	95 1/2	127 1/2	13 1/2		
Amstrada	3 1/2	95 1/2	127 1/2	13 1/2		
Amstrada	2 1/2	95 1/2	127 1/2	13 1/2		
Amstrada	1 1/2	95 1/2	127 1/2	13 1/2		
Amstrada	1/2	95 1/2	127 1/2	13 1/2		
Amstrada	0 1/2	95 1/2	127 1/2	13 1/2		
Amstrada	0 1/4	95 1/2	127 1/2	13 1/2		
Amstrada	0 1/8	95 1/2	127 1/2	13 1/2		
Amstrada	0 1/16	95 1/2	127 1/2	13 1/2		
Amstrada	0 1/32	95 1/2	127 1/2	13 1/2		
Amstrada	0 1/64	95 1/2	127 1/2	13 1/2		
Amstrada	0 1/128	95 1/2	127 1/2	13 1/2		
Amstrada	0 1/256	95 1/2	127 1/2	13 1/2		
Amstrada	0 1/512	95 1/2	127 1/2	13 1/2		
Amstrada	0 1/1024	95 1/2	127 1/2	13 1/2		
Amstrada	0 1/2048	95 1/2	127 1/2	13 1/2		
Amstrada	0 1/4096	95 1/2	127 1/2	13 1/2		
Amstrada	0 1/8192	95 1/2	127 1/2	13 1/2		
Amstrada	0 1/16384	95 1/2	127 1/2	13 1/2		
Amstrada	0 1/32768	95 1/2	127 1/2	13 1/2		
Amstrada	0 1/65536	95 1/2	127 1/2	13 1/2		
Amstrada	0 1/131072	95 1/2	127 1/2	13 1/2		
Amstrada	0 1/262144	95 1/2	127 1/2	13 1/2		
Amstrada	0 1/524288	95 1/2	127 1/2	13 1/2		
Amstrada	0 1/1048576	95 1/2	127 1/2	13 1/2		
Amstrada	0 1/2097152	95 1/2	127 1/2	13 1/2		
Amstrada	0 1/4194304	95 1/2	127 1/2	13 1/2		
Amstrada	0 1/8388608	95 1/2	127 1/2	13 1/2		
Amstrada	0 1/16777216	95 1/2	127 1/2	13 1/2		
Amstrada	0 1/33554432	95 1/2	127 1/2	13 1/2		
Amstrada	0 1/67108864	95 1/2	127 1/2	13 1/2		
Amstrada	0 1/134217728	95 1/2	127 1/2	13 1/2		
Amstrada	0 1/268435456	95 1/2	127 1/2	13 1/2		
Amstrada	0 1/536870912	95 1/2	127 1/2	13 1/2		
Amstrada	0 1/1073741824	95 1/2	127 1/2	13 1/2		
Amstrada	0 1/2147483648	95 1/2	127 1/2	13 1/2		
Amstrada	0 1/4294967296	95 1/2	127 1/2	13 1/2		
Amstrada	0 1/8589934592	95 1/2	127 1/2	13 1/2		
Amstrada	0 1/17179869184	95 1/2	127 1/2	13 1/2		
Amstrada	0 1/34359738368	95 1/2	127 1/2	13 1/2		
Amstrada	0 1/68719476736	95 1/2	127 1/2	13 1/2		
Amstrada	0 1/137438953472	95 1/2	127 1/2	13 1/2		
Amstrada	0 1/274877906944	95 1/2	127 1/2	13 1/2		
Amstrada	0 1/549755813888	95 1/2	127 1/2	13 1/2		
Amstrada	0 1/1099511627776	95 1/2	127 1/2	13 1/2		
Amstrada	0 1/2199023255552	95 1/2	127 1/2	13 1/2		
Amstrada	0 1/4398046511104	95 1/2	127 1/2	13 1/2		
Amstrada	0 1/8796093022208	95 1/2	127 1/2	13 1/2		
Amstrada	0 1/17592186444416	95 1/2	127 1/2	13 1/2		
Amstrada	0 1/35184372888832	95 1/2	127 1/2	13 1/2		
Amstrada	0 1/70368745777664	95 1/2	127 1/2	13 1/2		
Amstrada	0 1/140737491555296	95 1/2	127 1/2	13 1/2		
Amstrada	0 1/281474983110592	95 1/2	127 1/2	13 1/2		
Amstrada	0 1/562949966221184	95 1/2	127 1/2	13 1/2		
Amstrada	0 1/112589993242368	95 1/2	127 1/2	13 1/2		
Amstrada	0 1/225179986484736	95 1/2	127 1/2	13 1/2		
Amstrada	0 1/450359972969472	95 1/2	127 1/2	13 1/2		
Amstrada	0 1/900719945938944	95 1/2	127 1/2	13 1/2		
Amstrada	0 1/1801439890877888	95 1/2	127 1/2	13 1/2		
Amstrada	0 1/3602879781755776	95 1/2	127 1/2	13 1/2		
Amstrada	0 1/7205759563511552	95 1/2	127 1/2	13 1/2		
Amstrada	0 1/1441151912702304	95 1/2	127 1/2	13 1/2		
Amstrada	0 1/2882303825404608	95 1/2	127 1/2	13 1/2		
Amstrada	0 1/5764607650809216	95 1/2	127 1/2	13 1/2		
Amstrada	0 1/11529215301618432	95 1/2	127 1/2	13 1/2		
Amstrada	0 1/23058430603236864	95 1/2	127 1/2	13 1/2		
Amstrada	0 1/46116861206473728	95 1/2	127 1/2	13 1/2		
Amstrada	0 1/92233722412947456	95 1/2	127 1/2	13 1/2		
Amstrada	0 1/184467448825948912	95 1/2	127 1/2	13 1/2		
Amstrada	0 1/368934897651897824	95 1/2	127 1/2	13 1/2		
Amstrada	0 1/737869795303795648	95 1/2	127 1/2	13 1/2		
Amstrada	0 1/1475739590607591296	95 1/2	127 1/2	13 1/2		
Amstrada	0 1/2951479181215182592	95 1/2	127 1/2	13 1/2		
Amstrada	0 1/5902958362430365184	95 1/2	127 1/2	13 1/2		
Amstrada	0 1/11805916724860730368	95 1/2	127 1/2	13 1/2		
Amstrada	0 1/23611833449721460736	95 1/2	127 1/2	13 1/2		
Amstrada	0 1/47223666899442921472	95 1/2	127 1/2	13 1/2		
Amstrada	0 1/94447333798885842944	95 1/2	127 1/2	13 1/2		
Amstrada	0 1/18889467557777171888	95 1/2	127 1/2	13 1/2		
Amstrada	0 1/37778935115554343776	95 1/2	127 1/2	13 1/2		
Amstrada	0 1/75557870231108087552	95 1/2	127 1/2	13 1/2		
Amstrada	0 1/151115740462176175104	95 1/2	127 1/2	13 1/2		
Amstrada	0 1/302231480924352350208	95 1/2	127 1/2	13 1/2		
Amstrada	0 1/604462961848704700416	95 1/2	127 1/2	13 1/2		
Amstrada	0 1/1208925923694093808832	95 1/2	127 1/2	13 1/2		
Amstrada	0 1/2417851847388187617664	95 1/2	127 1/2	13 1/2		
Amstrada	0 1/4835703694776375235328	95 1/2	127 1/2	13 1/2		
Amstrada	0 1/9671407389552750470656	95 1/2	127 1/2	13 1/2		
Amstrada	0 1/19342847781055009411312	95 1/2	127 1/2	13 1/2		
Amstrada	0 1/38685695562110018822624	95 1/2	127 1/2	13 1/2		
Amstrada	0 1/77371391124220037645248	95 1/2	127 1/2	13 1/2		
Amstrada	0 1/15474278224844007489056	95 1/2	127 1/2	13 1/2		
Amstrada	0 1/30948556449688014978112	95 1/2	127 1/2	13 1/2		
Amstrada	0 1/61897112899376029956224	95 1/2	127 1/2	13 1/2		
Amstrada	0 1/123794227198752059912448	95 1/2	127 1/2	13 1/2		
Amstrada	0 1/247588454397504119824896	95 1/2	127 1/2	13 1/2		
Amstrada	0 1/495176908795008396497392	95 1/2	127 1/2	13 1/2		
Amstrada	0 1/990353817590016792994784	95 1/2	127 1/2	13 1/2		
Amstrada	0 1/1980707355180033859989568	95 1/2	127 1/2	13 1/2		
Amstrada	0 1/3961414710360067719979136	95 1/2	127 1/2	13 1/2		
Amstrada	0 1/7922829420720135439958272	95 1/2	127 1/2	13 1/2		
Amstrada	0 1/15845658441440268799116448	95 1/2	127 1/2	13 1/2		
Amstrada	0 1/31691316882880537598232896	95 1/2	127 1/2	13 1/2		
Amstrada	0 1/63382633765761075196465792	95 1/2	127 1/2	13 1/2		
Amstrada	0 1/126765267511522130392931584	95 1/2	127 1/2	13 1/2		
Amstrada	0 1/253530535023044260785863168	95 1/2	127 1/2	13 1/2		
Amstrada	0 1/507061070046088521571717336	95 1/2	127 1/2	13 1/2		
Amstrada	0 1/101412214009217714343434672	95 1/2	127 1/2	13 1/2		
Amstrada	0 1/20282442801843542868686944	95 1/2	127 1/2	13 1/2		
Amstrada	0 1/405648856036870857373737888	95 1/2	127 1/2	13 1/2		
Amstrada	0 1/811297712073741714747475776	95 1/2	127 1/2	13 1/2		
Amstrada	0 1/1622595241475483431494951552	95 1/2	127 1/2	13 1/2		
Amstrada	0 1/3245190482950966862989931104	95 1/2	127 1/2	13 1/2		
Amstrada	0 1/6490380965901933725979862168	95 1/2	127 1/2	13 1/2		
Amstrada	0 1/1298076193180386745195972536	95 1/2	127 1/2	13 1/2		
Amstrada	0 1/2596152386360773491391945072	95 1/2	127 1/2	13 1/2		
Amstrada	0 1/5192304772721546982783890144	95 1/2	127 1/2	13 1/2		
Amstrada	0 1/10384609554443093965567780288	95 1/2	127 1/2	13 1/2		
Amstrada	0 1/2076921910888618793113555556576	95 1/2	127 1/2	13 1/2		
Amstrada	0 1/4153843821777237586227111113152	95 1/2	127 1/2	13 1/2		
Amstrada	0 1/8307687643554475172442222226304	95 1/2	127 1/2	13 1/2		
Amstrada	0 1/1661537528710950344488444444896	95 1/2	127 1/2	13 1/2		
Amstrada	0 1/3323075057421900688976888889792	95 1/2	127 1/2	13 1/2		
Amstrada	0 1/6646150114843801377953777779584	95 1/2	127 1/2	13 1/2		
Amstrada	0 1/1329230022968602755907555559168	95 1/2	127 1/2	13 1/2		
Amstrada	0 1/2658460045937205511815111118336	95 1/2	127 1/2	13 1/2		
Amstrada	0 1/531692009187441102363022226672	95 1/2	127 1/2	13 1/2		
Amstrada	0 1/1063384018354822047266044445344	95 1/2	127 1/2	13 1/2		
Amstrada	0 1/2126768036709644094532088888688	95 1/2	127 1/2	13 1/2		
Amstrada	0 1/42535360734192881889064177777376	95 1/2	127 1/2	13 1/2		
Amstrada	0 1/85070721468385763781123435555752	95 1/2	127 1/2	13 1/2		
Amstrada	0 1/1701414429367715275222686911044	95 1/2	127 1/2	13 1/2		
Amstrada	0 1/3402828858735430550445373822088	95 1/2	127 1/2	13 1/2		
Amstrada	0 1/6805657717470861100088906646464	95 1/2	127 1/2	13 1/2		
Amstrada	0 1/13611315434941722001778132929296	95 1/2	127 1/2	13 1/2		
Amstrada	0 1/2722263086988344400355626585856	95 1/2	127 1/2	13 1/2		
Amstrada	0 1/5444526173976688800711253171712	95 1/2	127 1/2	13 1/2		
Amstrada	0 1/1088905235795337760142252643424	95 1/2	127 1/2	13 1/2		
Amstrada	0 1/2177810471590675520284505286848	95 1/2	127 1/2	13 1/2		
Amstrada	0 1/4355620943181351040569011573696	95 1/2	127 1/2	13 1/2		
Amstrada	0 1/8711241886362702081137					

France: At a Crossroads

200 Years After Revolution, Vision of the Future Is Vague

By Theodore Zeldin

ASK ORDINARY FRENCH PEOPLE how different they expect their future to be, and you will get a very interesting answer. They do not know. The French have been searching desperately for what they call a *Grand Dessein*, a vision of their future, but it remains vague.

They are for Europe, but have no idea what Europe will be like. Raymond Barre recently summed up the dismay in his characteristic prose: What France lacks, he said, is a discourse on its national ambition. In other words, it does not know where it is going.

In the past, France's problem used to be that it did know where it was going, but never got there: It is still a long way from having achieved the objectives of the Revolution of 1789. The French are supposed to like everything clear and distinct, so this new uncertainty is regarded as intolerable by many commentators. But I think it is a sign of rejuvenation, for living in the modern world is all about coping with the unpredictable.

The opinion polls have never been very interested in people who say they don't know, regarding them almost as nonpersons, shadows. But the Don't Knows are beginning to assume new shapes. One-third of the

COMMENTARY

French population now refuses to be identified as being either Right or Left, and that proportion is growing. Two-thirds could not be bothered to vote in the latest referendum on the future of New Caledonia.

It may soon be the Don't Knows who will decide the country's fate. The reluctance to make quick or firm decisions extends even into what was once the most delicate sphere of all: Living together before getting married is now disapproved of by only 7 percent.

Don't Knows are an increasingly important international phenomenon. They used to be the ignorant, the indifferent, the hopeless and the dropouts, but they are now a much more complex, not necessarily irresponsible category.

The United States has long had problems with Don't Knows of the old style, and still does, as George Bush's election with about half the country abstaining shows. The Don't Knows of the new style choose that status on the basis of a combination of optimism and caution. In Britain, they are the floating voters who have established themselves as the dominant force in politics, responsible for the rise and fall of the Social Democrats; only 30 percent of the electorate has voted consistently for the same party over the last six elections; as in France, one-third refuse to think in ideological terms.

NOW the French are also making a contribution to the politics of doubt: They are becoming more similar to their neighbors, less the irritating exceptions, so that what they think is increasingly instructive to the rest of the world.

Overture, the open mind, is the new French ideal, the new politeness, dissolving old hypocrisies. It goes further than *glasnost*, which says: Let us tell the truth about the past, let us admit we sometimes get it wrong (but we'll get it right eventually). Overture adds: Let us bury the past, and look ahead at every disagreement that has divided us, one by one; it is impossible to predict where we will end up.

In political party terms, overture is on the rocks, because it conflicts with what parties traditionally seek, but it has been more than a political maneuver.



Vicco Jaksic

Intellectually, the French have been orphans since the loss of their Great Thinkers, who used to soothe them with explanations of what the world's confusions were all about. Overture is in some ways a substitute for the catchword of the '60s, *structure*, which implied that everything is interconnected and meaningful, and which fed the belief that social science was about to make it possible to run societies as smoothly and predictably as machines.

However, very few people have completely open minds, and so the question arises, how are closed minds to be opened? Edgar Morin, writing recently in *Le Monde* about the collapse of the old certainties, rightly saw that a new way of thinking is called for, one that habit of simplifying complexity is abandoned.

And yet, to achieve this, he could only suggest a sort of evangelization by teachers and intellectuals, comparable in style and dimensions to the Protestant Reformation. His suggestion recalls Jules Ferry—a Protestant, like Prime Minister Michel Rocard—trying, a century ago, to reform France through mass education.

The difficulty is that the teachers are themselves victims of our knowing: They do not know how to cope, given budget constraints, with the fact that 22 percent of French adults are illiterate, in the sense of

having difficulty in understanding a written text; about half of those aged over 65 have trouble reading and writing. Illiteracy is increasing among the young, even though more children are being educated to a higher standard than ever before.

Universities have twice as many students as they can accommodate and have been cancelling lectures because there is nowhere to hold them. Teachers have never been so demoralized.

And the intellectuals do not know how to escape from the ghetto into which they have withdrawn. France is supposed to be a country where the intellectual is respected. But Bernard Pivot's television literary chat show is watched by on average only 10 percent of viewers. That is roughly the size of the minority that values and enjoys the traditional forms of culture. In the United States, as a recent report to Congress has revealed, exactly the same proportion are enrolled in state-sponsored arts courses. In Britain, Channel Four aims to reach the same magic figure of 10 percent. Education has out converted the masses to its ideal of the good life.

Finally, the government does not know how, in the foreseeable future, it can give practical expression to the principle of overture, when faced by low-paid employees who do vital work, nurses and civil servants, demanding more equality and respect. It would involve challenging all

Now the French are becoming more similar to their neighbors, less the irritating exceptions.

wage differentials, completely changing the criteria of what deserves to be rewarded.

Personally, I do not see change being led by the established elite. Individuals are becoming more resistant to influence, more different from each other, strangers or foreigners to one another. The foreigner, the person one does not know, is now the world's main fiddle.

He confronts one on three levels: personal (loneliness has replaced hunger as the major problem in Western countries), national (the immigrant is the great disturber of traditional identities), and international (can Europeans, or Americans, also be citizens of the world?). In this perspective, politics becomes the art of finding a way of overcoming fear of the foreigner.

It is for this reason that my researches on France have culminated in a book on Happiness. Happiness used to mean being in control, feeling comfortable in one's own family, attaining serenity, keeping the foreigner, the enemy, at bay. But in a world that is in constant change, this kind of static ideal is increasingly unattainable, particularly since one can no longer feel happy if other people are unhappy. The new ideal is not happiness, but creativity. The new challenge is how to democratize creativity.

THIS is what about a half of the young people in France, and elsewhere too, are vaguely craving for. It is customary to say that the young have become docile, unrebelling, and it is assumed they will remain so forever. That is to forget that one year before the riots of May 1968 the French government did a survey of the young and found them to be totally attached to traditional values. Today, if one looks at what they aspire to, rather than at what economics forces them to do, one sees that 27 percent are interested in working in conventional commerce and industry, 28 percent want to do some form of public service, while no less than 45 percent have their sights on a creative or artistic profession, allowing them the highest degree of personal expression. Only 12 percent regard making money as their first objective; 50 percent put the interest of the job first. The young have not become morose. But often they do not know how to get what they dream of.

In this Age of Communication, what people are most conscious of is the difficulty of communicating; they do not just want to be loved, but above all to be understood.

Listen to me: that is perhaps the most common phrase in France today, spoken or unspoken. But most people don't know, are over sure, that their message has been interpreted as they would like it to be.

THEODORE ZELDIN is the author of "The French." His latest book, "Happiness," was recently published by Collins Harvill.

Rocard Holds Firm on Austerity

By Julian Nundy

PARIS—After six months in office, the government of Prime Minister Michel Rocard is buffeted and bruised by social conflict.

It is not Mr. Rocard's conservative political opponents who have caused the damage but small wage-earners, the very people who are considered the hard core of the electorate that returned President François Mitterrand and his Socialist Party to power last spring.

Since the *rentrée*, the end of summer vacations in September, traditionally a time of sharpening claws for new political battles, Mr. Rocard's government has been faced with repeated strikes across the public sector.

The stoppages, preceded by a strike at the two state television channels to protest the high salaries paid to a small minority of journalists, have involved our postal workers, the railroads, *métro* and bus drivers in the major cities, prison guards, teachers and Air France maintenance staff, causing considerable disruption to the services they provide.

In all cases, the strikers sought increases to salaries, which sometimes hover just above 6,000 francs (\$1,000) a month in jobs with little prospect for promotion.

The strikes have brought a sharp fall in Mr. Rocard's standing in public opinion polls after a summer in which he was riding high and have distracted attention from his and President Mitterrand's proclaimed desire to carry out *ouverture*, an opening to the center of the political stage, an ambitious long-term project to blur France's traditional left-right divide.

The government's image was also dented by a record low turnout in a referendum on the future of the Pacific territory of New Caledonia on Nov. 6, when only 37 percent of the electorate bothered to vote.



Michel Rocard

This tarnished the effect of Mr. Rocard's most important achievement to date: An accord between French settlers and native Melanesian nationalists in the territory on mechanisms to end a crisis that had threatened to degenerate into civil war.

For many French voters, the referendum was the seventh time this year that they were called on to go to the polls. The earlier elections were held in April, May, June and September—first to choose a president, then a new National Assembly and, lastly, local councils. Each of those elections was two-round votes.

In the words of former Prime Minister Raymond Barre, the New Caledonia referendum

came on "the tail of the comet" in a hectic political year and therefore aroused minimal interest.

Despite the poor showing in the referendum, the strikes and the absence of a parliamentary majority with which to govern, Mr. Rocard has reaffirmed his resolve to continue with his policies, and has said that his program of austerity, with accompanying wage controls, will continue until at least the spring of 1990.

In the background, his colleagues in the Socialist Party, worried by the prospect of a debacle in municipal elections next March, have urged him to heed the message carried by the strikers and to make concessions.

His refusal to do so has perplexed his supporters as President Mitterrand, under increasing criticism for what the media describe as a monarchical style of rule, has remained generally aloof from the fray. Mr. Rocard's popularity rating dropped from 53 percent in May to 41 percent in November, while Mr. Mitterrand's percentage slipped only from 54 to 49 in the same period, according to a poll in the weekly *Journal du Dimanche*.

Another poll, in the pro-Socialist weekly *Le Nouvel Observateur*, said that 65 percent of those questioned believed that Mr. Rocard was right to stick to his program of austerity but that 45 percent thought he had handled the recent strikes badly. Only 38 percent thought his approach had been the right one.

"Is Rocard naive?" asked the cover of the conservative weekly *L'Express* in a recent issue.

In private, the magazine reported, Mr. Rocard's friends had advised him to drop his frequent and admiring references to Pierre Mendès-France, a popular Socialist leader of the 1950s.

The reason: Mendès-France, while fondly

Continued on page 9

Optimism Emerges on Economy

By Reginald Dale

PARIS—Despite grumbling labor disputes and intermittent bouts of pressure on the franc, this autumn has brought a new optimism that France may be on the way to solving some of the deep-rooted problems that have plagued its economy for much of the past two decades.

With growth officially estimated at 3.5 percent this year, the highest since 1979, France is sharing in the unexpected surge of prosperity that is making 1988 one of the best years in recent memory for most of the Western industrialized world.

The bourse is booming, corporate profits are high and inflation, at 3 percent, is low; much-needed investment is under way and labor productivity is increasing. There are signs that French exports are finally regaining an ability to compete on the vital European market.

A government survey last month found French industrialists in their most buoyant mood of the last 10 years and looking forward to even stronger business activity in the months ahead.

Since the return from the summer vacations, much less has been heard of the long-standing complaint that West German austerity and the

franc's link to the Deutsche mark in the European Monetary System are depressing French growth below acceptable levels.

But nobody would claim that the transformation of the French economy is complete.

Industrialists are in their most buoyant mood in 10 years.

The government's principal policy challenge in recent weeks has been to try to persuade strikers in the public sector that the time has not yet come to squander the benefits of years of austerity by abandoning wage discipline.

Summing up progress at the end of October, Finance Minister Pierre Bérégovoy told the Economic and Social Council, a government

advisory body, that "our economy is doing better but it remains vulnerable to the external environment."

It is widely agreed that a downturn in the world economy, or a recession in the United States, could severely damage the still fragile French recovery. "The French do have to be careful about that," said J. Paul Horne, Smith Barney's Paris-based international economist.

In addition, said Mr. Bérégovoy, the French economy continues to be marked by the "black spots" of a worsening trade deficit and persistent unemployment, still over 10 percent and showing only slight signs of improvement.

Mr. Bérégovoy welcomed the fact that recent growth has been investment-led. For business as a whole, investment is increasing at an annual rate of 9 percent, and by as much as 14 percent in the industrial sector alone, he said.

He warned, however, that fast growth was creating bottlenecks in industries that had recently been in crisis, with damaging consequences for the trade balance. There was a continuing vital need for more investment to modernize aging equipment and expand productive capacity, he said.

A similar warning was issued last month by economists at Phillips & Drew, a London bro-

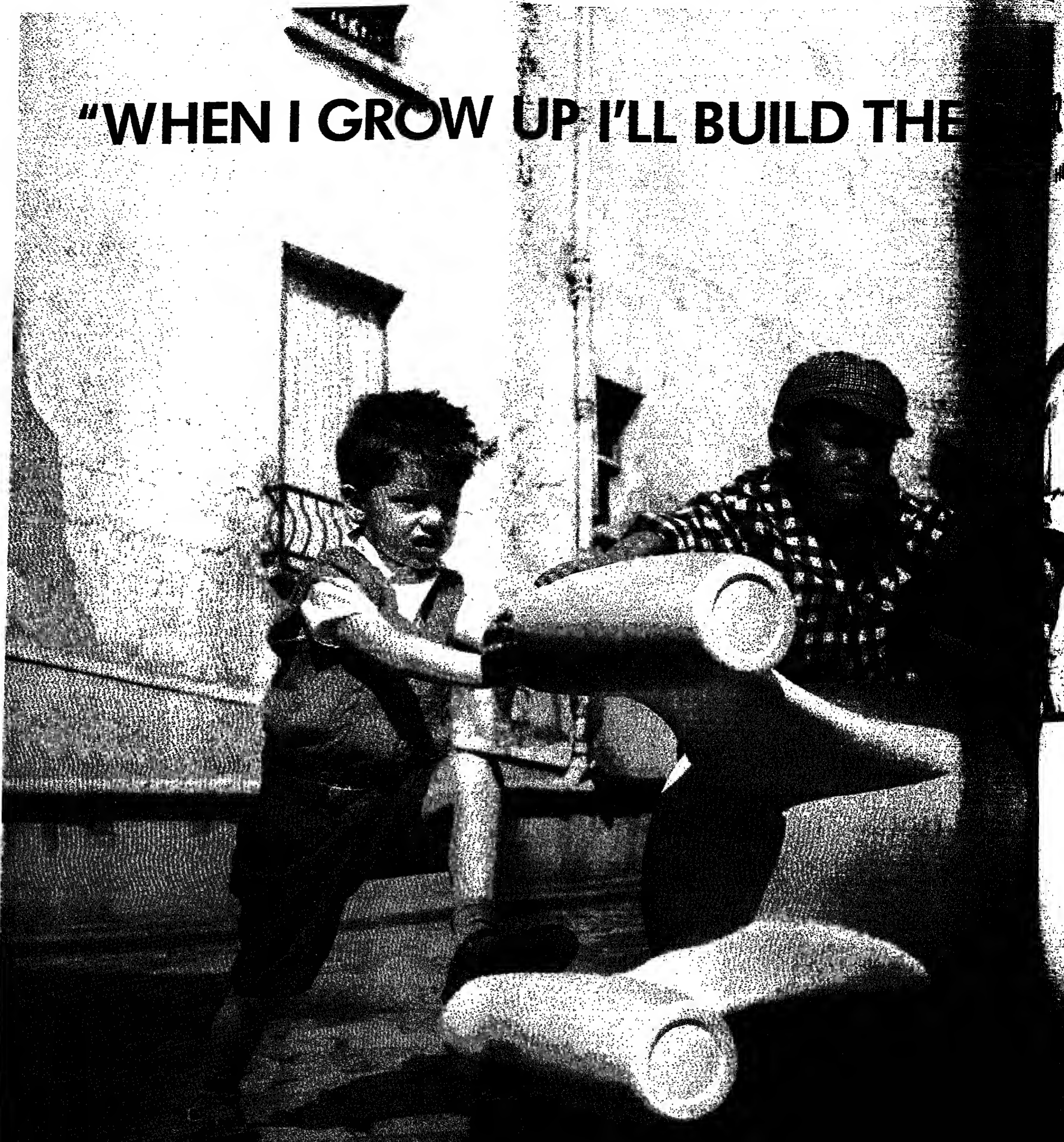
Continued on page 8

FIAT

FIAT Group in France

140, CHAMPS-ÉLYSÉES, 75008 PARIS. TEL.: (1) 45.62.82.00

"WHEN I GROW UP I'LL BUILD THE



© PUBLICIS 10632

Today, Aerospatiale is one of the very few companies in the world that can design and build the Airbus and the family of ATR aircraft. The most advanced missile systems for the free world. Industrial architecture, diversified satellites. In each endeavour Aerospatiale is the leader, technical designer and constructor. To achieve the

AEROSPATIALE: IMAGINE

مكنا من الجهل

aspa
heli
the lau
tophy
stical

EM B
ew compa
The most e
strial archite
Aerospa
To achieve
IMAG



in all aspects of aerospace across all five continents.
line of helicopters. Advanced defense and deterrent
Ariane launch vehicle and in partnership, technically
philosophy of production through partnership as crea-
ve position, we will continue to fly higher and further.



ATION AND BEYOND. aerospa

NASDAQ National Market

OTC Consolidated trading for week ended Friday, Nov. 25

Sales in		100s					High					Low					Close					Chg														
AAW	36	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
ABB	36	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
ABC	36	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
ABD	36	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
ACE	36	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
ACB	36	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
ACC	36	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
ACD	36	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
ACE	36	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
ACF	36	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
ACG	36	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
ACH	36	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
ACI	36	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
ACJ	36	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
ACK	36	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
ACL	36	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
ACM	36	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100

هكزامين الاصلي

(Continued on Page 13)

High-Speed Concerns ■ Charges of Racism

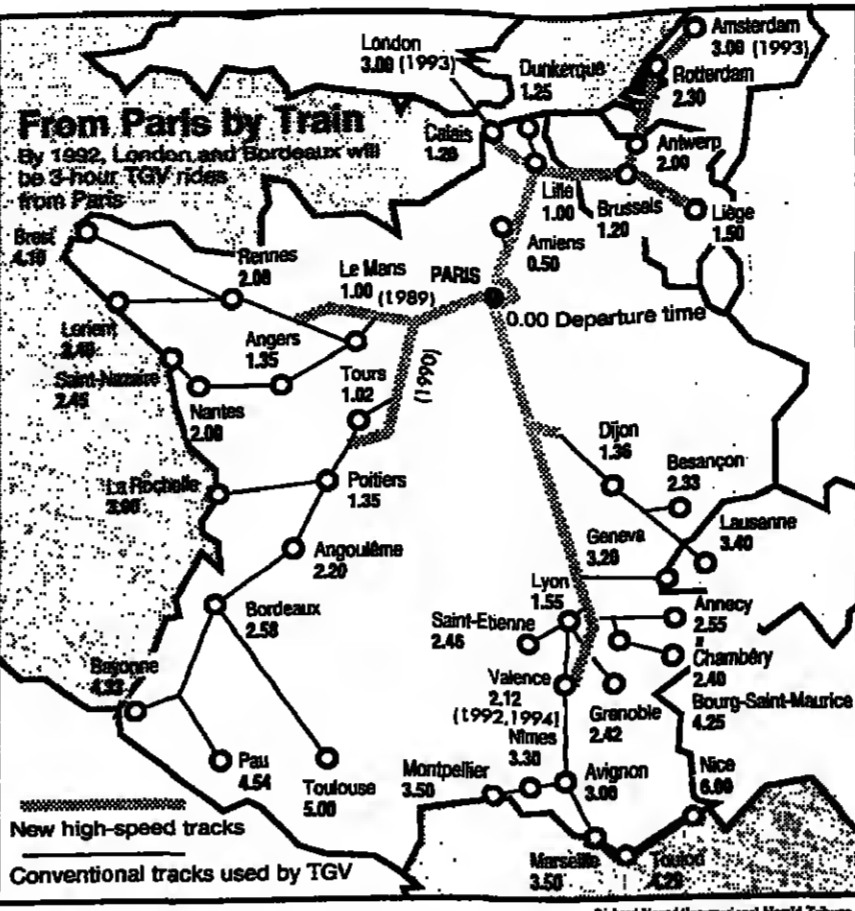
Fearing Business Downturn, City in North Campaigns for TGV Route

No city has fought harder than Amiens. Its battle is a measure of the hopes that ride on the train.

By Henry Tanner

PARIS — A little more than five years after the first new orange-and-gray high-speed train streaked down the 285 miles (461 kilometers) of its special straight-line track from Paris to Lyon in just two hours, the TGV, or train à grande vitesse, has been the stuff that French politicians from cabinet minister to small-town mayor, are dreaming about.

new, mostly underground track that will link the three big lines. Some of the trains arriving from the north, for instance, will branch off at Charles de Gaulle Airport and move onto the tracks to the south and southwest. They will not go to the center of the capital and the big overcrowded stations there.



city's existing economic position: More than half the conventional express trains now running through the city will be eliminated when the TGV goes into service, causing the loss of many local jobs and adding hours to business trips in all directions. Existing freight lines also will be cut back.

Mr. Gouranton cites two examples. When France's railroads were first built around the middle of the last century, the city of Le Mans, southwest of Paris, welcomed it but the people of Alençon, its neighbor, were afraid that the sparks from the locomotives would set fire to their straw. Today, Le Mans has some 150,000 inhabitants and Alençon 35,000.

François Cosserat, a city councillor, accuses the national railroad company and successive governments in Paris of planning a rail network that favors a handful of leading cities but neglects the rest of the country.

In a gesture to appease Amiens, the government recently confirmed plans for a second TGV line leading past Amiens straight to the Channel Tunnel to be built later. But leaders of the Amiens campaign argue that by the time this line is built, if ever, new traffic patterns will have been consolidated and Amiens's loss will be permanent.

This view is not shared by Gilles de Robien, the centrist candidate for mayor, who thinks the city now should concentrate on making the most of the promise of a second line. The issue may decide the municipal election early next year.

Bourg-en-Bresse, the town near Lyon where both the TGV and the superhighway branch off toward Geneva and the French Alps, is cited as the example of a prime beneficiary of the fast trains. The town and its region have one of the lowest unemployment rates in France.

But according to Daniel Veylon, an assistant to the mayor, the town has been able to make most of the opportunity only because it had all the required other assets — regional roads and

roads, a good infrastructure, hotels and other facilities. "You have to be ready for it," he said.

The notion that the TGV is an asset only to economically strong regions and cities, and a possible danger to others, seems to be borne out by an independent study made by members of the National Committee for Scientific Research at the University of Lyon. The study warns that the TGV can be a double-edged sword — bringing benefits to strong regions but drawing jobs and investments away from their less developed neighbors.

The more big cities are linked to the network, the more badly hurt economically and culturally are those that do not get it, said the director of the study, François Plussard, apparently confirming some of the worst fears of Amiens.

The study found that the cheap fares of the TGV have made French business "more democratic" by inducing companies to send lower-ranking employees on trips that had been reserved to top executives in the era of air travel. More and more business travelers between Paris and the provinces return the same day, and some hotels and restaurants are suffering as a result. Owners of country houses were found to make more frequent trips.

"In 20 years perhaps the TGV will revolutionize the social and economic structures of France but it hasn't happened yet," said Mr. Plussard.

At the offices of the state-owned railway company, officials take a hard-nosed view of the problem of selecting routes.

The TGV is meant for distances above 300 kilometers, a planning executive said, adding: "We are a commercial company. Our first priority is profitability rather than economic development. We respect the potential of a region; we don't build trains into the desert."

The line to Lyon is operating at an annual profit of about 15 percent — double the rate of a profitable conventional line — and profits to London "will be very, very good with the tunnel," he said.

HENRY TANNER is on the staff of the International Herald Tribune.

National Front Suffers Reversals After Boost in Presidential Poll

By Julian Nundy

PARIS — If the French needed a reminder that anti-Semitism was still alive, it was on Nov. 10, the 50th anniversary of Nazi Germany's Kristallnacht, that the message was delivered.

As synagogues held memorial services to mark the day that, in 1938, Jewish-owned homes, stores and businesses were smashed and destroyed throughout Germany, the Star of David and the word Jude were daubed on 30 Jewish-owned stores in Paris's Scuterie district, known for its ready-to-wear workshops and wholesalers.

The incident, blamed by police on two neo-Nazi groups, was one in a series of examples of extremist behavior that have troubled the French scene in recent months.

They have coincided with a dramatic decline in the fortunes of the far right National Front of Jean-Marie Le Pen, a party that started the year with 34 deputies in the National Assembly and now has none.

Some analysts say they fear that, trounced on the conventional political stage, the extreme right is slipping into a marginal role.

The National Front, whose anti-immigration stance brings frequent charges of racism from its opponents, looked at one point this year as though it might become a political power-broker before a string of reversals prompted a rapid fall.

In April, Mr. Le Pen took 14.4 percent of the vote in the first round of the presidential elections, far ahead of any opinion poll prediction.

The result made it look for a while as though the conservative politicians would be tempted to seek electoral alliances with Mr. Le Pen and expunge some of the National Front's aims.

Pulling in 28 percent of the presidential vote in Marseille, Mr. Le Pen ran for election in the city in the parliamentary poll that followed in June.

Before the second run-off round of voting, the conservative parties in Marseille entered into a pact with the National Front to fight off the left, a tactic that lent weight to some of the fears sparked by Mr. Le Pen's presidential showing.

However, with the end of a short-lived experiment in proportional representation, Mr. Le Pen and all but one of his colleagues from the old parliament lost the election.

And the only deputy to be returned on the National Front ticket, Yvian Piat, was expelled from the party in October after she had attacked Mr. Le Pen for his "dormitory humor" and then refused to follow the front's instructions in a parliamentary vote.

Mrs. Piat was one of three major figures in the front to leave after Mr. Le Pen provoked a controversy with a play on words that recalled the Nazi gas chambers.

Attacking Michel Duraufour, the centrist public service minister, for remarks he had made about the party, Mr. Le Pen shouted the words "Duraufour crématore" at a rally in September, a play on four crématore, or crematory oven.

The incident prompted the Gaullist Rally for the Republic, led by former Prime Minister Jacques Chirac, to declare that it



Jean-Marie Le Pen

In an interview with Le Monde, Dr. Bachelot charged that Mr. Le Pen's play on Mr. Duraufour's name was not "a slip of the tongue but part of a strategy."

In meetings before his expulsion, he said, attacks on the three lobbies had been advocated as a means of reinvigorating the National Front.

"The reasoning is the following," Dr. Bachelot said. "The National Front's enemies are those who support the anti-France, those who have always decried the national right. The anti-France, according to this analysis, is made up of the lobbies of the press, freemasons and Jews. The National Front from now on will be dealing with this subject constantly."

Mr. Le Pen, who is quick to issue writs for libel against those who accuse him of racism, denied any such intentions at a National Front rally.

It was, he charged, the work of those who wanted to "pit the Jewish community against the National Front and against the idea of the nation."

He added that his foes wanted "to make the Jewish community believe that it is persecuted, to start a fight against French patriots. This, in turn, would make it look as though the Jewish community is not patriotic."

Whatever Mr. Le Pen's explanations, articles in journals sympathetic to the National Front have given its opponents further material to justify charges of anti-Semitism.

National-Hebdo, the National Front weekly, has referred in recent weeks to "Jewish racists" that, it said, French justice authorities were afraid of prosecuting and to "anti-Goy racism."

"Where the Nazis forced Jews to signal their difference by wearing a star," a commentary in National-Hebdo said, "the Jews, on the contrary, want to stop non-Jews from proclaiming their identity."

The article, as it appeared, was unsigned. It was later claimed by the weekly's news editor, Serge de Beketch, who, in response to press criticism, wrote in a later issue: "It used to be that a racist was someone who profaned a Jewish cemetery. Now a racist is someone who accuses of racism a Jew who has profaned a Christian tomb."

Another writer, François Brigneau, describing unflattering commentaries on Mr. Stürbois's political career after his death, called one journalist "an assimilated Jew with centrist tendencies" and another "a less assimilated Jew of Socialist tendencies."

In an editorial that was peppered with stronger epithets and that has since earned him a libel suit, Mr. Brigneau described the two journalists' assessments of Mr. Stürbois as "the last (Kosher) spit" that the National Front leader would receive.

In the following issue of the weekly, Mr. Brigneau touched on the theme of the three lobbies raised by Dr. Bachelot in a discussion of the role of the late Pierre Mendès-France, Socialist prime minister in the 1950s.

"Mendès had everything to succeed," Mr. Brigneau wrote. "He was Jewish and, even better, was a mixture of Sephardic and Ashkenazi. He was a freemason, an important freemason. . . . He had a young, ambitious and talented journalistic team at his disposal."

Some analysts fear that, trounced on the political stage, the far right is slipping into a marginal role.

when Jean-Pierre Stürbois, the front's 44-year-old secretary general, died in a car accident. Mr. Stürbois, a fiery orator and one of the movement's hardliners, had dismissed his three colleagues as "disappointed opportunists" who had turned against Mr. Le Pen once the party's fortunes had begun to deteriorate. Mr. Stürbois's funeral was conducted in Latin by traditionalist Roman Catholic priests. Many French traditionalists, some of whom have followed Archbishop Marcel Lefebvre in his schism with Rome, make little secret of their support for Mr. Le Pen's party. Earlier, Catholic protests



Nurses in Paris in one of many demonstrations this fall for better pay and conditions.

Rocard Holds Firm on Austerity

Continued from page 7

remembered by the French, was prime minister for only nine months in 1954. Mr. Rocard, 58, who has presidential ambitions, will need to remain considerably longer to establish his leadership credentials.

Among his opponents, Gérard Longuet, a leader of the conservative wing of the center-right Union for French Democracy and a former minister, dismissed the prime minister as a man "capable of tearing up a winning lottery ticket."

Mr. Rocard has proclaimed himself largely unmoved by such criticism.

"The media want public life to be transformed into a wrestling bout," he said recently. "It would be the most serious of weaknesses to drift into that and eventually to be unable to govern."

If Mr. Rocard can continue to govern with some equanimity, it is also because his foes are in disarray, exhausted by a series of setbacks at the polls, divided on their future strategy and unable to present a credible alternative for the moment.

The main element has been a growing rift between the centrists and conservatives who have been in an often uneasy coalition against the left since Charles de Gaulle founded the current Fifth Republic in 1958.

The presidential elections last May ended two years of *cohabitation* in which a conservative government led by Prime Minister Jacques Chirac, the leader of the Gaullist Rally for the Republic, had run the country under the Socialist head of state.

Mr. Mitterrand beat Mr. Chirac convincingly in the vote and then sought to compound his victory by declaring a willingness to work with the center, by implication with Mr. Chirac's allies.

Mr. Rocard named prime minister. Mr. Rocard attracted only three well-known centrist politicians into his

government, although several ministers were named from outside professional politics, and is still far from gaining regular parliamentary support from others.

But the prospect of an influential role prompted the 40 centrist National Assembly deputies in the Union for French Democracy to form their own parliamentary group, setting themselves apart from the more conservative members of their own formation. On occasion, they have voted differently from their colleagues.

Perhaps the most telling example of the differences on the right came with the New Caledonia referendum, which instituted a 10-year process that will lead to self-determination in the territory.

The Gaullists, going against the wishes of Jacques Lafleur, the head of their New Caledonian associate party, called for a boycott.

Both conservatives and centrists in the Union for French Democracy, like the Socialists, called for a "yes," while the far right National Front called on its supporters to vote against the measures.

In the event, almost 80 percent of those who did vote supported the government, but the abstention rate was so high that the impact of the poll was severely undermined, particularly as the majority of European settlers in the territory voted "no."

Mr. Rocard's most important parliamentary test so far has been the passage of his first budget.

With all but the Socialists opposed to his budget, it looked as though Mr. Rocard, with only 276 seats in the 577-seat assembly, would have to resort to a constitutional device that would have made the budget an issue of confidence.

In the end, however, the 27 Communists in parliament, holding to a pledge "not to mix our votes with those of the right," abstained to ensure the bill's passage on Nov. 18.

cal life, is Raymond Barre, the third-placed centrist candidate in the presidential elections.

A former economics professor who was prime minister's first years until Mr. Mitterrand's first term began in 1981, he said this month that he hoped the situation would produce a "responsible and autonomous force" that would ease systematic opposition.

As for Mr. Rocard, accused of running the country from day to day with no long-term project, he

has responded by summing up his wishes for France in the following terms:

"The grand design is simple: a fair distribution of the fruits of our growth, a better education system, effective social protection. . . . France that is just and reconciled to the service of world peace and development."

JULIAN NUNDY is on the staff of the International Herald Tribune.

Advertisement for Cartier watches. Includes the Cartier logo and a watch image. Text: PARIS - LONDON - NEW YORK MONTE-CARLO - GENEVA - MILAN AND ONE HUNDRED AND TWENTY CARTIER STORES IN MAJOR CITIES WORLDWIDE.

NASDAQ National Market

OTC Consolidated trading for week ended Friday, Nov. 25

Symbol	Sales in 100s	High	Low	Close	Chg	Net
AAW						
ABC						
AD						
ADP						
ADT						
ADZ						
AEL						
AEM						
AET						
AFC						
AFCO						
AFCB						
AFCG						
AFCI						
AFCJ						
AFCO						
AFCB						
AFCG						
AFCI						
AFCJ						
AFCO						
AFCB						
AFCG						
AFCI						
AFCJ						
AFCO						
AFCB						
AFCG						
AFCI						
AFCJ						
AFCO						
AFCB						
AFCG						
AFCI						
AFCJ						
AFCO						
AFCB						
AFCG						
AFCI						
AFCJ						
AFCO						
AFCB						
AFCG						
AFCI						
AFCJ						
AFCO						
AFCB						
AFCG						
AFCI						
AFCJ						
AFCO						
AFCB						
AFCG						
AFCI						
AFCJ						
AFCO						
AFCB						
AFCG						
AFCI						
AFCJ						
AFCO						
AFCB						
AFCG						
AFCI						
AFCJ						
AFCO						
AFCB						
AFCG						
AFCI						
AFCJ						
AFCO						
AFCB						
AFCG						
AFCI						
AFCJ						
AFCO						
AFCB						
AFCG						
AFCI						
AFCJ						
AFCO						
AFCB						
AFCG						
AFCI						
AFCJ						
AFCO						
AFCB						
AFCG						
AFCI						
AFCJ						
AFCO						
AFCB						
AFCG						
AFCI						
AFCJ						
AFCO						
AFCB						
AFCG						
AFCI						
AFCJ						
AFCO						
AFCB						
AFCG						
AFCI						
AFCJ						
AFCO						
AFCB						
AFCG						
AFCI						
AFCJ						
AFCO						
AFCB						
AFCG						
AFCI						
AFCJ						
AFCO						
AFCB						
AFCG						
AFCI						
AFCJ						
AFCO						
AFCB						
AFCG						
AFCI						
AFCJ						
AFCO						
AFCB						
AFCG						
AFCI						
AFCJ						
AFCO						
AFCB						
AFCG						
AFCI						
AFCJ						
AFCO						
AFCB						
AFCG						
AFCI						
AFCJ						
AFCO						
AFCB						
AFCG						
AFCI						
AFCJ						
AFCO						
AFCB						
AFCG						
AFCI						
AFCJ						
AFCO						
AFCB						
AFCG						
AFCI						
AFCJ						
AFCO						
AFCB						
AFCG						
AFCI						
AFCJ						
AFCO						
AFCB						
AFCG						
AFCI						
AFCJ						
AFCO						
AFCB						
AFCG						
AFCI						
AFCJ						
AFCO						
AFCB						
AFCG						
AFCI						
AFCJ						
AFCO						
AFCB						
AFCG						
AFCI						
AFCJ						
AFCO						
AFCB						
AFCG						
AFCI						
AFCJ						
AFCO						
AFCB						
AFCG						
AFCI						
AFCJ						
AFCO						
AFCB						
AFCG						
AFCI						
AFCJ						
AFCO						
AFCB						
AFCG						
AFCI						
AFCJ						
AFCO						
AFCB						
AFCG						
AFCI						
AFCJ						
AFCO						
AFCB						
AFCG						
AFCI						
AFCJ						
AFCO						
AFCB						
AFCG						
AFCI						
AFCJ						
AFCO						
AFCB						
AFCG						
AFCI						
AFCJ						
AFCO						
AFCB						
AFCG						
AFCI						
AFCJ						
AFCO						
AFCB						
AFCG						
AFCI						
AFCJ						
AFCO						
AFCB						
AFCG						
AFCI						
AFCJ						
AFCO						
AFCB						
AFCG						
AFCI						
AFCJ						
AFCO						
AFCB						
AFCG						
AFCI						
AFCJ						
AFCO						
AFCB						
AFCG						
AFCI						
AFCJ						
AFCO						
AFCB						
AFCG						
AFCI						
AFCJ						
AFCO						
AFCB						
AFCG						
AFCI						
AFCJ						
AFCO						
AFCB						
AFCG						
AFCI						
AFCJ						
AFCO						
AFCB						
AFCG						
AFCI						
AFCJ						
AFCO						
AFCB						
AFCG						
AFCI						
AFCJ						
AFCO						
AFCB						
AFCG						
AFCI						
AFCJ						
AFCO						
AFCB						
AFCG						
AFCI						
AFCJ						
AFCO						
AFCB						
AFCG						
AFCI						
AFCJ						
AFCO						
AFCB						
AFCG						
AFCI						
AFCJ						
AFCO						
AFCB						
AFCG						
AFCI						
AFCJ						
AFCO						
AFCB						
AFCG						
AFCI						
AFCJ						
AFCO						
AFCB						
AFCG						
AFCI						
AFCJ						
AFCO						
AFCB						
AFCG						
AFCI						
AFCJ						
AFCO						
AFCB						
AFCG						
AFCI						
AFCJ						
AFCO						
AFCB						
AFCG						
AFCI						
AFCJ						
AFCO						
AFCB						
AFCG						
AFCI						
AFCJ						
AFCO						
AFCB						
AFCG						
AFCI						
AFCJ						
AFCO						
AFCB						
AFCG						
AFCI						
AFCJ						
AFCO						
AFCB						
AFCG						
AFCI						
AFCJ						
AFCO						
AFCB						
A						

FROM TV PROGRAMMES

TO COOKERY PROGRAMMES TOSHIBA

MONDAY, NOVEMBER 28, 1988

Page 11

EUROBONDS

Money Managers Prefer Underweighting in Dollars

By CARL GEWIRTZ International Herald Tribune PARIS — Most professional money managers in the major financial centers use the phrase "underweighting in dollars" to describe their current portfolio strategy...

All the other managers say their strategy is to "underweight the dollar."

But all the other managers, regardless of their differing views on the merits of stocks versus bonds, say their current strategy is to "underweight the dollar." The positions range from "slightly underweight" at Nomura Investment Management Co. and Lazard Brothers to "substantially underweight" at Banque Julius Baer...

IN ADDITION to holding divergent views on the future of the dollar, money managers are far apart on how they would divide assets between stocks and bonds. An extreme position is held by Alain Leclerc, managing director of Paribas Asset Management, who puts 85 percent of his portfolio in stocks...

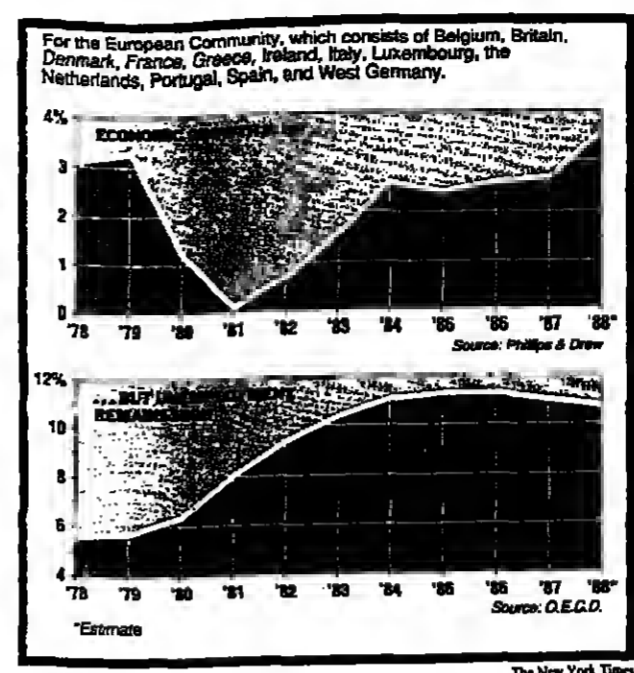
Thus, "for growth portfolios, zero investment in bonds," he said. "For more cautious investors, 35 percent for bonds." Obviously, this is a scenario that has got to be watched carefully, he added. That is why Paribas chooses only stocks of large companies. "We want liquidity, to be able to jump out if need be."

See PORTFOLIO, Page 12

European Economy Shows New Life

Low Inflation, Strong Investment Make Growth the Best in a Decade

By Steven Greenhouse New York Times Service PARIS — Western Europe's economy is growing at its fastest rate in a decade, and many economists predict that next year it will grow faster than the U.S. economy. Europeans are so heartened by their robust 3.5 percent growth rate that they have stopped talking about Euroclerosis, the slow-growth malady that was said to be pulling down the Continent's economy...



For the European Community, which consists of Belgium, Britain, Denmark, France, Greece, Ireland, Italy, Luxembourg, the Netherlands, Portugal, Spain, and West Germany.

Business executives have enjoyed a surprising surge of confidence on the basis of booming corporate profits, low inflation, strong world trade and hopes of greater East-West commerce. The prospect of a barrier-free market when the European Community drops all of its internal barriers by the end of 1992 has also brightened their outlook.

But even with its higher growth rate, Europe is making little progress in reducing its unemployment rate of nearly 11 percent. Many economists say this figure is not likely to drop unless Europe can push its annual growth rate up to 4 percent or more, and that will not be easy. Some government officials, most notably those in Britain, are already saying that their economies are growing so fast that inflation has become a problem.

One thing that surprised many economists is the sharp acceleration in European growth even after five years of an economic recovery. Meinhardt Mierz, director of the Institute for Economic and Social Research in Bonn, said companies did not have to expand their productive capacity to meet demand during the first few years of the recovery.

"But when that growth lasted for five or six years, businessmen started to foresee a shortage of capacity," he said. As a result, capital investment in France is expected to spurt by 7 percent this year, compared with an average annual increase of 0.2 percent over the previous decade.

"We're in a virtuous circle that has replaced a vicious circle," said Mr. Mars of Warburg Securities. In Britain, especially, and to a lesser degree in France, Italy, West Germany and Spain, growth and investment have been encouraged by government policies that reduced taxes and regulations. What is more, after years of restructuring through mergers, joint ventures and corporate streamlining, many companies finally feel ready to push ahead with investments.

"We now have the conditions so that Europe can take over some of See EUROPE, Page 13

U.S. Tool Orders Posted 19.5% Fall in October

By Kurt Eichenwald New York Times Service NEW YORK — Continuing a decline that began in September, orders for U.S.-made machine tools dropped 19.5 percent in October, according to a report scheduled for release Monday by the industry's trade association. The monthly figure on orders was also 1.2 percent less than what it was in October 1987. Still, tool orders for the first 10 months of the year have reached \$2.99 billion, 72 percent higher than during the comparable period in 1987...

Foreign orders in October for metal-cutting machine tools, including boring mills and lathes, were 19.2 percent higher than the previous month. The total orders for metal-cutting machine tools were \$217.3 million, an 18.5 percent decrease.

Analysis had expected the level of orders to rise after the industry's technology show was held in Chicago in September. Buyers have traditionally delayed purchases until they have inspected the latest equipment at the show. But the number of orders climbed in the month before the show, and dropped afterward.

Machine tools are power-driven devices that cut or shape metal parts used in appliances and vehicles. Economists consider their sales to be an important indicator of capital spending by the makers of such large metal products as automobiles and airplanes. The strength in machine-tool orders reflects strength in such industrial production.

James A. Gray, president of the Virginia-based association, said he was encouraged by the year-to-year comparisons. "We are very pleased with the machine tool order picture for 1988," Mr. Gray said. Barring any dramatic news in coming weeks, currency traders say they expect the dollar to remain relatively stable for the rest of the year. Banks are already beginning to withdraw from the market in preparation for the annual accounting of profits and losses.

See DOLLAR, Page 12

Poor Harvest U.S. Consumers Suspect Bloom Is Off the Boom

Could Spur Soviet Deal

By Richard Morin Washington Post Service WASHINGTON — Americans harbor growing doubts that the six-year U.S. economic expansion will continue much longer, according to recent polls.

MOSCOW — A below-target Soviet harvest could spur U.S. and Soviet officials to reach agreement on a new grain pact when they resume talks in Moscow on Monday, foreign analysts said.

Research from a closely watched Michigan survey of consumer attitudes, and a similar survey conducted by the Conference Board, New York-based organization, show that although the benefits of the economic expansion have been both deep and wide, there are new concerns that it will end soon.

"It's like consumers are saying that they don't expect things to get a whole lot better," Richard Curtin, survey director. Curtin said the survey of consumer attitudes at the University of Michigan, "But they also feel that things won't get worse."

Prices of some goods rise faster than others in times of high inflation, forcing people to adjust their spending patterns. People also become uncertain about their ability to make and follow through on financial plans.

Researchers have discovered that the public clearly prefers times of low inflation and gradually increasing wages to times of high inflation and big wage increases. So strong is this preference that consumer confidence has increased in times of low inflation even as con-

sumers' overall financial health is suffering. "Even if you had wages increasing at 15 percent and inflation increasing at 10 percent," Mr. Curtin said, "consumers would prefer wages increasing at 5 percent and inflation at 3 percent, even though they would be doing 3 percent better in terms of real income growth in the first situation."

That is not a naive view, he argued. Prices of some goods rise faster than others in times of high inflation, forcing people to adjust their spending patterns. People also become uncertain about their ability to make and follow through on financial plans.

Another group that monitors public attitudes toward the economy, the Conference Board, reported Friday that it found a sharp drop in consumer confidence this month, the second such decline in the past three months.

Currency Rates

Table with columns for Currency, Par \$, and various rates for major currencies like the British pound, West German mark, Japanese yen, etc.

Last Week's Markets

Table showing stock indices (Dow Jones, S&P 500, Nikkei) and money rates (discount rate, federal funds rate) for the previous week.

ELOF HANSSON - THE GLOBE TRADER. The international trading house active in pulp, paper, machinery, chemicals, timber, building material & steel, textiles, foodstuffs, consumer goods.

THE CAPITAL GUARANTEED INVESTMENT FUND. A long-term investment fund with a diversified portfolio of stocks and bonds. Includes contact information for Balfour, Maclaine and MFSpec Banking Corporation.

Beazer Sets \$2.3 Billion Loan Restructuring

By Carl Gewirtz
International Herald Tribune
PARIS — A large and complicated \$2.3 billion loan was syndicated on the international credit market last week for Beazer PLC, a British home building and contracting group.

flow relative to interest expenses — interest coverage.
The margin on both portions of the credit drops to 1 percentage point over Libor if the gearing ratio falls to 100 percent or interest cover exceeds two and a half times actual payments.

Bond Prices Decline On OPEC News

By H.J. Maidenberg
New York Times Service
NEW YORK — Treasury bond prices were marked down sharply last week in New York on reports of a tentative agreement by the O.P.E.C. members.

U.S. CREDIT MARKETS

members of the Organization of Petroleum Exporting Countries to adhere to reduced production quotas.
Dealers described Friday's trading as light, however, because most participants normally treat Thanksgiving Day, which was on Thursday, as the start of a four-day weekend.

New International Bond Issues

Compiled by Laurence Desvillettes

Table with columns: Issuer, Amount (millions), Mat., Coup. %, Price, and Terms. Lists various international bond issues like Australian Wheat Board, Industrial Bank of Japan, etc.

Herald Tribune advertisement: Now Printed in New York For Same Day Service in Key American Cities. To subscribe call us toll-free in the U.S.: 1-800-882 2884.

DOLLAR: Calm Likely to Prevail

(Continued from first finance page) can cause large swings in exchange rates.
The dollar currently is at 1.7170 DM and 121.25 yen, and it is near levels that are widely deemed to be important resistance points — 1.70 DM and 120 yen.

Equally important is the next monthly trade report. A larger U.S. deficit would be expected to weaken the dollar, since it would tend to confirm the already widespread fears that this year's trade improvement is running out of steam and needs a further dollar devaluation to curb imports and spur exports.

PORTFOLIO: Money Managers Outline Their Investment Strategies

(Continued from first finance page) than in the United States, but he is concentrating on companies that have little exposure to exports.
He named the real estate concern Mitsubishi Estate, the insurance company Tokio Marine and Toppan Printing as examples.

Mr. Kagan's preference for bonds is based on expectations that inflation rates next year will subside. Because inflation fears are overplayed, he said that "long-term U.S. interest rates are currently too high" and should decline.
The fall in interest rates would cause bond prices to rise, producing important capital gains for investors.

His dollar holdings have an average life of two years. The bulk of this is in Treasury notes and the remainder in Eurobonds issued by sovereign bondholders.

Don't miss the November issue of Euromoney

EUROMONEY advertisement: GUESS WHO HAS THE WORLD'S LARGEST TRADING ROOM? THE BEER BARON GOES BANKING. GOODBYE, GERMAN STOCK EXCHANGES. ASIA'S NEW GENERATION OF POWER BROKERS.

Complete and return the order form below and we'll be pleased to send you the November issue of Euromoney — the leading journal for every financial executive. You can then judge for yourself how useful Euromoney could be to you and your business.

EUROMONEY ORDER FORM with checkboxes for subscription preferences, personal details fields (Name, Title, Address, Country, etc.), and return address.

Treasury Bonds table with columns: Maturity, Bid, Ask, Yield, and Wt.-%.

U.S. Consumer Rates table with columns: Index, Rate, and Source.

Portfolio Managers Asset Preferences

Table showing asset preferences of various portfolio managers like Baer, Capital Mgt., Lazard Bros., Morgan Stanley, and Nomura.

TO OUR READERS IN HOLLAND

The International Herald Tribune is now on newsstands throughout Holland every morning six days a week Monday-Saturday.

Handwritten Arabic text: شركة من الأعمال

EUROPE: Economy Shows Life

(Continued from first finance page) The slack from the slowing we see in the American economy," said Christopher Potts, an economist with Banque Indosuez in Paris.

Still, some economists worry that West Germany's slow potential growth, along with inflexible rules and traditionally tight monetary policies will hold back growth in the rest of Europe.

After its spurt this year, West Germany's growth is expected to slide back to 2.5 percent next year.

As other European nations grow faster than West Germany, they buy more goods from Germany than Germany buys from them. This has created trade-balance problems that are putting pressure on the Italian lira and the French franc.

These pressures have caused France and Italy and other trading partners of West Germany to support their currencies by raising interest rates higher than they would like.

Under the European Monetary System, an eight-nation system of linked currencies, member nations must act to protect their currencies if they fall too far below an average.

But the European Community recently voted to end all currency controls, and France and Italy will soon have to remove regulations that restrict their citizens from investing or depositing their money abroad.

WHAT'S HAPPENING ON THE NASDAQ STOCK EXCHANGE... SHERIDAN MORLEY WEDNESDAY IN THE ARTS & LEISURE SECTION

NASDAQ National Market

OTC Consolidated trading for week ended Friday.

Table with columns: Symbol, Price, Change, Volume. Includes sections for Sectors, Stocks, and Bonds.

WORLD STOCKS IN REVIEW / Via Agence France-Press

Amsterdam

Amsterdam stocks were fairly buoyant last week, with the majority of stocks recording slight gains. The ANP-CBS general index rose 3.4 points to 272.9.

Dealers on the floor said they had the impression the market had bottomed out, partly because the flow of shares onto the market in recent weeks had dried up. Institutional investors remain inactive, so turnover remains on the low side.

Turnover totaled 4,875 billion guilders this past week, against 5,015 billion the previous week. The Kempen & Co. brokerage said the market would remain nervous for the time being, as the damping effect of lower oil prices on inflation may disappear.

Frankfurt

A consolidation phase continued on the Frankfurt stock market, analysts said, as prices drifted slightly lower.

The Commerzbank index finished the week at 1,582.4, down 3.9 points from the previous Friday. Volume on the eight West German exchanges totaled only 11.54 billion Deutsche marks, against 12.19 billion DM the previous week.

BASF starred in the chemical sector, rising 7.80 DM to 281 after releasing an excellent earnings report for nine months. Ba

Hong Kong

The Hong Kong stock exchange posted strong gains, despite a drop Friday on profit-taking.

The barometer Hang Seng Index rose 74.92 points for the week to close at 2,656.08, while the broader

London

Share prices fell dramatically Friday, after the announcement of much worse than expected British trade figures for October.

The Financial Times 100-share index closed at 1,794.7 points, down 28.7 points for the week. The FT industrial index ended at 1,462.6, down 26.4.

The record £2.43 billion current account deficit was far worse than even the most pessimistic predictions of around £2 billion, prompting a full-point rise in British base rates and sending shares into a tail-spin.

Several possible bid situations caught the eye of speculators: BICC (electricals), Storehouse (stores) and Ultramar (oils). Dealers also noted rumors of a rival bid for Hammerson.

Milan

The market was in a somber mood in lighter trading, as the Comi index closed almost unchanged at 580.21, compared with 579.64 the previous Friday.

Trading averaged only 125 bil-

Paris

Paris stock prices were mainly steady in quiet trading, with the CAC index closing at 392.5, against 392.6 a week earlier. That compares with the year's high of 397.

Analysts said the Paris market had remained steady because of positive news in France, including the passage of the 1989 government budget on first reading, the good health of French business, and good economic statistics. French industrial output increased markedly in September.

Singapore

Share prices rebounded modestly on the Singapore stock market, after a few weeks in the doldrums.

Dealers said a firmer Wall Street, which saw five consecutive days of gains, and a strong performance in Tokyo induced some bargain-hunting and helped boost the Straits Times Industrial Index above the 1,000-point level.

Tokyo

The Tokyo Stock Exchange had another bullish week despite the fall of the dollar against the yen and fears of higher interest rates in the United States.

The Nikkei Stock Average of 225 blue chips closed out the week Saturday at 29,363.59 yen for a 183.39-weekly advance, the seventh consecutive weekly rise for the key market indicator.

The average hit an all-time high of 29,430.12 yen Tuesday, the eighth session in a row it finished higher, but lost 90.09 yen Thursday after a holiday recess Wednesday as investors became wary of a too-rapid surge.

Trading was moderate with an average of 886 million shares

OPEC: Output Accord Threatened

(Continued from Page 1) price of \$18 a barrel, which is substantially higher than the current \$10 price of Iranian oil.

After Mr. Azagadeh convinced the Iranian cabinet to agree to the deal, his deputy, Ferydoun Barakshi, was told Sunday to inform the other OPEC members of Iran's acceptance.

But in the Iranian oil minister's absence, the Saudi oil minister, Hilsham Nazer, surprised many by insisting that any new agreement on production cuts be framed by a range of oil prices, hovering between \$15 and \$18 a barrel.

Previously OPEC had settled on a price "target" of \$18 a barrel, and many OPEC members were hopeful that the cut in output would eventually push prices higher.

Condemnation over the surprise Saudi stand was heightened because it coincided so neatly with Mr. Azagadeh's success in convincing hard-liners in Tehran to accept the humiliating concession on parity with Iraq.

Among other things, the Iranian concessions would end the country's status as the second largest oil producer and the second most influential member in OPEC after Saudi Arabia.

A coalition of Arab oil producers had bluntly warned Iran that if it did not accept parity, the flood of

oil coming out of their countries would continue and oil prices would not rise. Iran is desperate for cash to rebuild its economy.

Iranian delegates and some Arab delegates said the new Saudi request as an additional humiliation for Iran.

"This is a major deviation from what OPEC agreed to," Mr. Barakshi told reporters in Vienna.

Asked whether Iran could under any circumstances accept the new Saudi condition, Mr. Barakshi said: "No. We cannot accept. I am very pessimistic."

Saudi officials, who did not explain their sudden request beyond attributing it to "instructions from King Fahd," were believed to be more interested in protecting their country's oil revenues than in damaging relations with Iran.

Under the accord hammered out Friday, the Saudis would have to decrease their output quota from the current 6.5 million barrels a day to about 4.5 million barrels a day.

Nevertheless, the timing of the Saudi proposal left many suspicions about its motives.

Wall Street Review

Table with columns: NYSE Most Actives, AMEX Most Actives, NYSE Soles, AMEX Soles, NYSE Dividends, AMEX Dividends. Includes sub-tables for Eurobond Yields and Weekly Sales.

Chicago Exchange Options

Figures as of close of trading Friday, Nov. 25

Table with columns: Option & price, Calls, Puts. Lists various stock options and their prices.

Chicago Exchange Options

Figures as of close of trading Friday, Nov. 25

Table with columns: Option & price, Calls, Puts. Lists various stock options and their prices.

INTERNATIONAL CLASSIFIED

Advertisement for International Classified, featuring various escort services and agencies like BELL ESCORT SERVICE, MERCEDES, GENEVA MELODIE, etc.

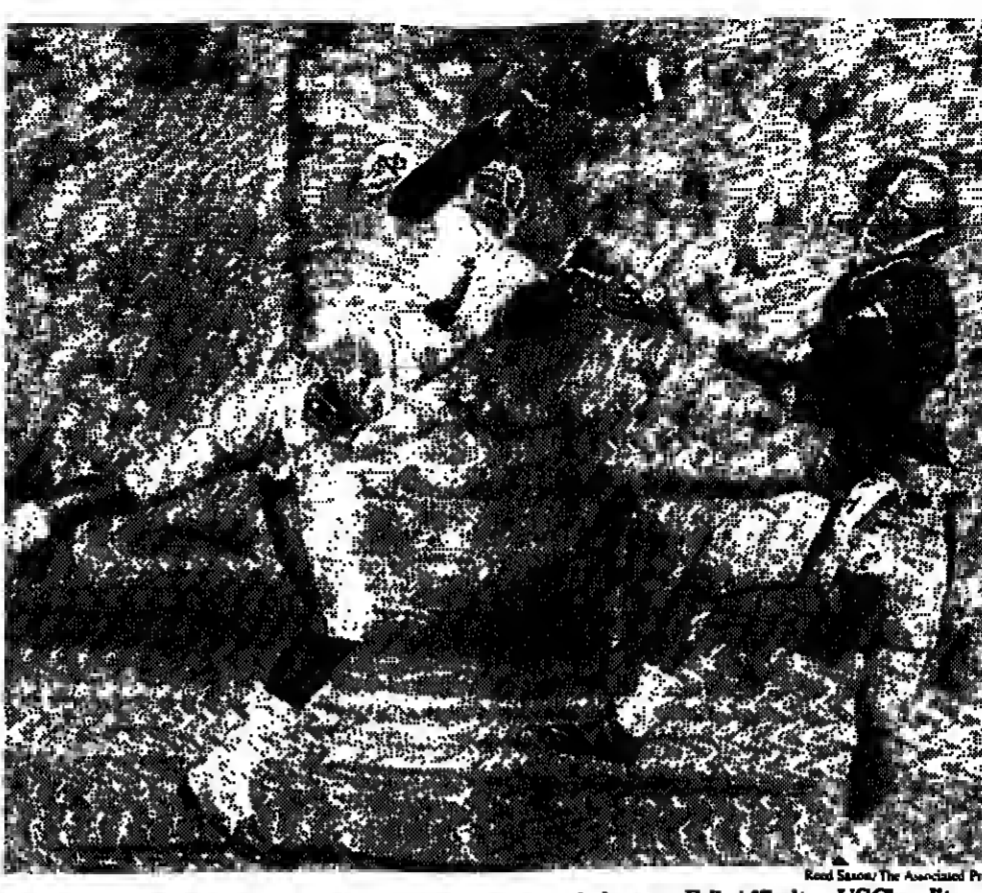
MONDAY SPORTS

Bengals Stop Bills With 35-21 Victory

CINCINNATI — Ickey Woods ran for three touchdowns and Boomer Esiason picked apart the defense as the Cincinnati Bengals jumped off to a 21-point lead...

NFL ROUNDUP

Bengals a game ahead of the Houston Oilers in the AFC Central. The Bills, who clinched the AFC East title last week, dropped to 11-2 but still retained the edge for the home-field advantage in the AFC playoffs.



Notre Dame cornerback Todd Lyght, deflecting a first-period pass to Erik Aftonhor, USC's split end.

Notre Dame Dominates USC, Cementing Claim to Top Spot

and will now meet No. 4 West Virginia (11-0) in the Fiesta Bowl on Jan. 2 for the national title...

Canny Coach Holtz Brings Down the Gavel Again

Notre Dame's leading rusher this season with 667 yards in 117 carries, a 5.7-yard average, and two touchdowns...

Some coaches would have winked at two important players being late again, especially before a big game...

Quarterback Peete, USC's Heisman Trophy candidate, was intercepted twice and sacked three times by the Irish defense.

SCOREBOARD BASKETBALL

Table with columns for College Results, National Basketball Association Standings, and various conference records.

HOCKEY NHL Standings

Table showing NHL Standings for various teams including NY Rangers, Toronto, and Montreal.

SOCCER

Table showing Soccer results for English First Division, Spanish First Division, and West German First Division.

Zurbriggen and Merle Take Ski Cup Openers

SCHLADMING, Austria — Pirmin Zurbriggen of Switzerland put on a classic display of his extraordinary talent to win the first men's event of the World Cup ski season...

TRANSITION

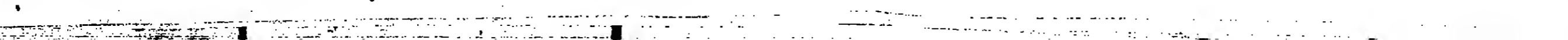
National Basketball Association League—Fred Stone Johnson, Portland forward-center, \$250,000 for lifetime...

FOOTBALL

College Results EAST Indiana 24, Carolina 17; Tampa 45, Boston College 28...

SKING

WORLD CUP SKIING and 31.65 seconds, 12-hundredths of a second better than Frenchman Franck Piccard...



Pirmin Zurbriggen, winning Sunday's race in Schladming, Austria.

The Feeling Is Mutual

By William Safire
WASHINGTON — Charles Dickens fussed up the meaning of a good word when he titled a novel "Our Mutual Friend."

Strictly speaking, mutual—rooted in the Latin for "exchange"—implies reciprocity, as when two people feel the same way about each other.

"Our mutual friend Jones (meaning Jones who is your friend as well as mine)," wrote Henry Fowler in his Modern English Usage.

The misusers include some big names. In his "Essay Towards Facilitating Instruction in the Anglo-Saxon and Modern Dialects of the English Language," Thomas Jefferson correctly denounced "mutual vituperations" but incorrectly urged Britain and the United States to "yoke ourselves jointly to the same car of mutual happiness."

"I would love some upset someone, some good, just upset," says. In one in the gallery has dashed and there has been no sign of an angry archbishop insipid the drawings on his crosser.

"I can't take indifference after all this. I mean I don't think anybody yet has had such a brave body my own trumpet except I am at this point, just to say I've had a damn good stab at something. It makes a legend in a way it hasn't been made before, I didn't just say I'll reinterpret John Milton's 'Paradise Lost.'"

The viewers in the gallery are quiet and hush but a waiting photographer is getting testy. He places Steadman next to the drawing of the newly created Earth, a crabby, rolling baby face surrounded by flames of what might equally be creation or destruction.

Can you grime? the photographer asks. Easly, says Steadman, putting on his wide black velvet hat and pulling faces and uttering words as terrible as must have been heard when God, or Steadman, created Earth.

Some have come to the defense of Dickens. Wilson Follett's Modern American Usage, for example, points out that it was "not Dickens' fault—he was quoting a semiliterate one-legged man," while conceding that "Dickens' title has clung down the error of one of his low-life characters upon the English-speaking world and it will probably not be shaken off."

Do you suppose Dickens felt guilty about this? More than one of his admirers assumes so. "In the event that you should ever treat the use and misuse of that difficult word mutual," writes the novelist Louis Auchincloss, "I have just happened upon the Mica Culpa of the great novelist whose title has done so much to perpetuate the confusion."

In his unfortunately titled novel, "Our Mutual Friend," Dickens used the right word for a shared feeling: "He thanks Venecering for the feeling manner in which he referred to their common friend Fledgeby."

Remember Fledgeby, Dickens fans; writers and readers should have mutual respect, trusting each other to know that Fledgeby's our common friend.

THE minute you get elected, you think you can rewrite Lincoln. In his Second Annual Message to Congress, President Lincoln wrote: "We shall nobly save, or meanly lose, the last best hope of earth. This was not some ad-lib taken down by a reporter, subject to error in transmission; this was a written message between branches of government, set in type, immutable, the way Lincoln wanted it. (Controversy exists about the comma after best. The comma belongs between the two adjectives last and best, and not after the best; however, it is not for us, the living, to switch the comma.)"

One of Jimmy Carter's speechwriters, who knew the accurate wording, changed it to on because he believed that of earth jarred, and that most listeners would think the correct Lincoln version a misquotation. So the Carter version of the Lincoln quotation was "the last best hope on earth." Ronald Reagan evidently did not like the idea of the Earth doing the hoping. On innumerable occasions, he edited Lincoln's line to read "the last best hope of man on earth."

When comes George Bush. On his election eve telecast, he called up the ghost of Lincoln and referred to America as "the last great hope of man on earth." Lincoln's best was not good enough; now the hope, with Reagan's of man added, has been elevated to great.

NEW YORK TIMES SERVICE

Steadman's View From Above

International Herald Tribune
LONDON — In 1961, fortified by a check for \$5 from "Private Eye," Ralph Steadman hurried into a career as Britain's most outrageous and outrageous political cartoonist. In 1969, his drawing became even stronger, and his behavior more erratic, when he began to collude with Dr. Hunter S. Thompson, the hyperventilating American journalist who soothed his fear and loathing with pills and booze and sprayed those who displeased him with mace.

Like many cartoonists Steadman went on to write and illustrate his own books but, perhaps because of his explosive eye and

His next book was "I, Leonardo," a sort of Steadman-ghosted autobiography of Leonardo da Vinci (Steadman's version of "The Last Supper" still hangs in his guest bedroom, causing many a sleepless night).

Now Steadman has taken the final hubristic leap and written what might be called an autobiography of God, entitled "The Big I Am."

"It is really a nonpartisan thunderbolt from above," Steadman says. "It's not taking sides at all, it's looking down on mankind."

The book, narrated by both Steadman and God, begins before the Creation and ends in the 20th century with God fading away into sleep. "He is leaving us to our own destructive devices," Steadman writes. "It's what we have wanted all along. Isn't that right?"

interpretations and maybe take a bit from each."

In his interpretation, God is a widowed single parent whose wife, after giving birth to the other planets, all stillborn, herself died when about to give birth to Earth. God swallows the Earth, then regurgitates it and spends the next centuries looking on His creation with bafflement and alarm. God is nebulous and lonely and, in Steadman's words, He doesn't have a clue.

"I think He's like the rest of us when we lift up a stone and find a lot of insects underneath and watch fascinated by whatever they're doing. They're like ants, always moving, they always seem to have a purpose and what their purpose is God only knows and He doesn't know much either."

One might wonder what is the point of a godless deity. "Just to help me create a story, really. It's no good just writing a book about nothing, is it?" Steadman says.

His drawings for "The Big I Am" are currently on view in London at the Octagon Gallery, a disused Methodist church with the words "Watch and Pray" carved over the fireplace. Steadman rolls another cigarette and gazes at the too-quiet and too-respectful visi-

tors who do not seem to be buying the prints that are on sale (he is keeping the original drawings for his children).

The book needs an archbishop to say something terrible about it," he tells his publisher's representative. "We ought to have a tame archbishop in tow."

The book had its genesis three years ago when Steadman suffered a frightful hemorrhage of the esophagus after a lady friend punched him in the stomach. This gave him the idea of God regurgitating the Earth. "It's vaguely autobiographical, that part," he admits.

Just as he wrote his book on Freud and his fear of thunder, dogs and horses in particular, "The Big I Am" exercised his fear of choking again and dying. "Cavemen used to draw lines around their worst fears, which might have been animals they were going out to hunt, to exorcise that fear and give it a certain form they could somehow exercise power over. That's what I do with drawing. I did that with Richard Nixon."

Steadman has left behind Nixon and the other politicians he once drew. "I have stopped drawing political figures because I think every cartoonist in the world should do that—stop personifying them, stop giving them the benefit of our wit, our skills, the deftness and whatnot. If I ignore them, I can't see any sharper weapon to deflate them. The reverse might be said to say why haven't I been portrayed recently, nobody's drawn me."

"You've got to worry your enemy a little, you've got to make him doubt. The more viciously I need to draw them, the more important they would feel."

Steadman has illustrated texts from Daisy Ashford to "King Lear" and his Steam Press publishes poetry, including his own. The one thing that gives him peace of mind, he says, is writing a damn good poem. If he has abandoned political cartoons, he has not given up cartooning.

"People think a cartoon is something that appears in a newspaper, but to me a cartoon encompasses all the great artists — I mean Damier and Goya and Rembrandt and Leonardo da Vinci, in this century particularly Fi-



Ralph Steadman in front of his reinterpretation of Leonardo.

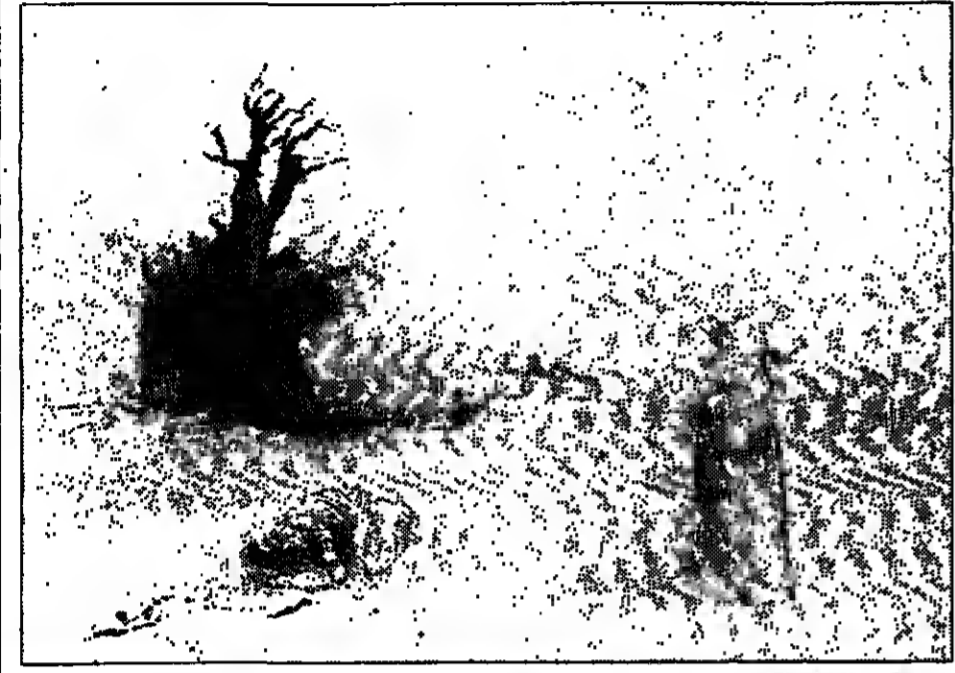
caso, who is a wonderful cartoonist painter. I mean when he wishes to be expressive he uses the cartoon form. He takes a line for a walk. Paul Klee said that."

Steadman thinks all good painters are at least closet cartoonists. "They are Hamlets wanting to play clowns." The reverse might be said of Steadman, but instead of a ditherer like Hamlet he has assumed the personas of Freud, Leonardo and, now, God.

"You think it's a bit tendentious of me to go for the big subject? The only way I found I could go for the awe-inspiring subjects is to identify with them, to try to imagine what it would be like to be like them. Not to pit yourself against them but to join them."

"I find the grand gesture is sometimes the way to begin — as if you knew what you're doing even if you don't. I'm never in complete control of anything and I'm never quite achieving what I had in mind."

A whole range of believers from Anabaptists to Zornastrians might take offense at "The Big I Am" and Steadman hopes they will.



Ralph Steadman, from "The Big I Am"

Advertisement for interdean international movers, featuring text like 'NOW AVAILABLE THIS SPACE FOR YOUR AD' and contact information for Paris.

Large advertisement for INTERNATIONAL CLASSIFIED, containing various real estate, employment, and business listings across multiple columns.

Advertisement for THE COBURG HOTEL, featuring details about room rates, services, and contact information.

Advertisement for HINE cognac, featuring images of horses and a bottle of cognac, with text describing the brand's history and quality.

Advertisement for International Business Message Center, listing various business services, financial opportunities, and office solutions.

Advertisement for SOUTH AFRICA, listing various international services, travel agencies, and business contacts.